



PHILADELPHIA GAS WORKS

800 West Montgomery Avenue • Philadelphia, PA 19122

Craig Berry, Senior Attorney
Legal Department
Direct Dial: 215-684-6049
FAX: 215-684-6798
E-mail: craig.berry@pgworks.com

March 1, 2023

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

**Re: Philadelphia Gas Works (“PGW”) 2023-2024 Gas Cost Rate Filing
Docket No. R-2023-3038069**

Dear Secretary Chiavetta:

On behalf of Philadelphia Gas Works (“PGW”), enclosed for filing is the original of PGW’s March 1, 2023 Section 1307 (f) Gas Cost Rate Filing This filing contains:

- Supplement No. 160 to PGW’s Gas Service Tariff – Pa P.U.C. No. 2;
- Supplement No. 106 to PGW’s Gas Supplier Tariff – Pa P.U.C. No. 1;
- Supporting information regarding the computation of annual purchased gas costs for the twelve months ending August 31, 2024;
- Testimony of Florian Teme (PGW St. 1); and
- Testimony of Ryan E. Reeves (PGW St. 2).

Please do not hesitate to contact me if you have any questions.

Respectfully,

/s/ Craig W. Berry
Craig W. Berry, Esquire

Enclosure

cc: Cert. of Service w/enc.

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PGW's Annual 1307 (f) GCR Filing upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

Via Email

Christopher M. Andreoli, Esq.
Aron J. Beatty, Esq.
Office of Consumer Advocate
5th Floor, Forum Place Bldg.
555 Walnut Street
Harrisburg, PA 17101-1921
CAndreoli@papoca.org
ABeatty@paoca.org

Sharon Webb, Esq.
Office of Small Business Advocate
Forum Place
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
Swebb@pa.gov

Gina Miller, Esq.
Bureau of Investigation & Enforcement
PA Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
ginmiller@pa.gov

Charis Mincavage (Pa. I.D. 82039)
Adeolu A. Bakare (Pa. I.D. 208541)
Sarah Hibbert (Pa. I.D. 329068)
McNEES WALLACE & NURICK LLC
100 Pine Street P.O. Box 1166
Harrisburg, PA 17108-1166
cmincavage@mcneeslaw.com
abakare@mcneeslaw.com
shibbert@mcneeslaw.com

Jerome D. Mierzwa
Exeter Associates, Inc.
10480 Little Patuxent Parkway
Columbia, MD 21044
jmierzwa@exetrassociates.com

Robert Knecht
Industrial Economics, Incorporated
2067 Massachusetts Ave.
Cambridge, MA 02140
rdk@indecon.com

Deanne O'Dell, Esq.
Daniel Clearfield, Esq.
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
dodell@eckertseamans.com
dclearfield@eckertseamans.com

Dated: March 1, 2023

/s/ Craig W. Berry
Craig W. Berry, Esq.

Philadelphia Gas Works
Before The
Pennsylvania Public Utility Commission

**Computation of Annual Purchased Gas Costs
For Twelve Months Ending August 31, 2024**

66 Pa.C.S. § 1307(f)

Information Submitted Pursuant To:

**66 Pa.C.S. §§ 1307(f), 1317, 1318 and
52 Pa. Code § 53.61, et seq.**

March 1, 2023

Philadelphia Gas Works 1307(f) - 2023 Prefiling

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Tab #1

Philadelphia Gas Works

Pennsylvania Public Utility Commission
52 Pa. Code § 53.61, et seq.

Item 53.64(a)

A Section 1307(f) gas utility may only voluntarily file a tariff reflecting an increase or decrease in natural gas costs once a year in accordance with the schedule established by the Commission, as published in the Pennsylvania Bulletin prior to the first day of September of each preceding year. If no new tariff is filed at that time, gas utilities under 66 Pa.C.S. § 1307(f) shall nevertheless file for the reconciliation of amounts collected and expended during prior periods as set forth in subsection (i). The tariff may reflect either an annual levelized rate, or a seasonal levelized rate pursuant to which a levelized 6-month “summer” rate period and a levelized 6-month “winter” rate period would apply. Upon good cause shown, the tariff may reflect other summer/winter rate periods as may be justified by operational considerations.

Response:

Please see the attached Supporting Schedules.

PGW
Gas Service Tariff
Pa. P.U.C. No. 2

Supplement No. 160

PHILADELPHIA GAS WORKS
GAS SERVICE TARIFF



Issued by: Seth Shapiro
President and CEO

PHILADELPHIA GAS WORKS
800 West Montgomery Avenue
Philadelphia, PA 19122

List of Changes Made by this Tariff Supplement**TABLE OF CONTENTS (PAGE Nos. 6-7)**

Updated to reflect revised page numbers for each of the changes listed below on this page

GAS COST RATE (GCR) – SECTION 1307f, II DEFINITIONS (PAGE No. 67)

In the definition of “GAC,” the GAC value effective September 1, 2023, decreases from \$0.00463 per Ccf to \$(0.06857) per Ccf.

GAS COST RATE (GCR) – SECTION 1307f, II DEFINITIONS (PAGE No. 67A)

In the definition of “IRC,” the IRC value effective September 1, 2023 is \$0.00117 per Ccf. In the definition of “SSC,” the SSC value effective September 1, 2023, increases from \$0.49402 per Ccf to \$0.57550 per Ccf.

GAS COST RATE (GCR) – SECTION 1307f, III COMPUTATION OF GCR (PAGE No. 68)

The Gas Cost Rate (GCR) effective September 1, 2023, increases from \$0.49740 per Ccf to \$0.50576 per Ccf.

PRICE TO COMPARE (PAGE No. 78)

The Prices to Compare effective September 1, 2023 are: (a) \$0.52924 per Ccf for Residential (GS-RES); (b) \$0.52924 per Ccf for Public Housing Customers (GS-PH); (c) \$0.51553 per Ccf for Commercial (GS-COM); (d) \$0.51305 per Ccf for Industrial (GS-IND); (e) \$0.51093 per Ccf for Municipal Service (MS); (f) \$0.51093 per Ccf for Philadelphia Housing Authority (PHA); and (g) \$0.51093 per Ccf for Natural Gas Vehicle Service (NGVS).

EFFICIENCY COST RECOVERY SURCHARGE (PAGE No. 80)

The Efficiency Cost Recovery Surcharge rates effective September 1, 2023 are: (a) \$0.00171 per Ccf for Residential and Public Housing Customers on Rate GS; (b) \$0.00269 per Ccf for Commercial Customers on Rate GS; (c) \$0.00000 per Ccf for Industrial Customers on Rate GS; and, (d) \$0.00269 per Ccf for The Philadelphia Housing Authority on Rate PHA.

UNIVERSAL SERVICE AND ENERGY CONSERVATION SURCHARGE (PAGE No. 81)

The Universal Service and Energy Conservation Surcharge effective September 1, 2023, decreases from \$0.15461 per Ccf to \$0.14690 per Ccf.

OTHER POST EMPLOYMENT BENEFIT (“OPEB”) SURCHARGE (PAGE No. 82)

The Other Post Employment Benefit Surcharge effective September 1, 2023, decreases from \$0.03789 per Ccf to \$0.03385 per Ccf.

GENERAL SERVICE – RATE GS (PAGE No. 83); MUNICIPAL SERVICE – RATE MS (PAGE No. 87); PHILADELPHIA HOUSING AUTHORITY SERVICE – RATE PHA (PAGE No. 90); and, DEVELOPMENTAL NATURAL GAS VEHICLE SVC - RATE NGVS FIRM SERVICE (Page No. 135)

The Gas Cost Rate (GCR) effective September 1, 2023, increases from \$0.49740 per Ccf to \$0.50576 per Ccf.

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GAS COST RATE (GCR) -- SECTION 1307(f)

I. PROVISION FOR ADJUSTMENT

The Gas Cost Rate shall be applied to each Mcf (1,000 cubic feet) for Firm Retail Sales Service Gas supplied under Rates Schedules GS, MS, PHA, and NGVS-Firm, except for Gas usage under the Special Provisions – Air Conditioning of those rates calculated in a manner set forth below, pursuant to 66 Pa.C.S. §1307(f). Such rates for Firm Sales Service Gas may be increased or decreased from time to time under the procedures set forth in Section II.B. below to reflect changes in the level of Gas costs incurred or projected to be incurred by PGW related to Sales Service.

II. DEFINITIONS

C - The current cost of Natural Gas and other raw materials determined as follows: (a) for all types of Gas, project the cost for each purchase (adjusted for net current Gas stored) for the computation year plus (b) the of (1) the projected book value of non-current Gas at the beginning of the computation year minus (2) the projected book value of non-current Gas at the end of the computation year. In addition to any cost authorized by the Commission, the cost of Natural Gas may include any item included in the definition of Natural Gas costs set forth in 66 Pa.C.S. § 1307(h) ("Definition"). The Factor "C" includes two components -- Commodity Costs and Demand Costs which are defined as follows: Commodity Costs - the actual cost of natural gas and purchased electric for firm customers that does not include the fixed costs associated with the transportation and storage of natural gas; and Demand Costs - the fixed costs associated with the transportation and storage of natural gas for firm customers.

Effective 9/1/08, 75% of off system sales margin and capacity release credits will be allocated to the Factor "C" and 25% to the Company. Effective 9/1/09, 75% of storage asset management fees will be allocated to the Factor "C" and 25% to the Company.

Computation Year - The 12-month forecast period as identified in the Company's annual 1307(f) filing and each quarterly GCR filing.

E - Experienced net over billing (or under billing) of the cost of Natural Gas and other raw materials applicable to the GCR reported in the most recent Section 1307(f) proceeding. Such over billings (or under billings) will be made with interest at the rate and method set forth by the Pennsylvania Public Utility Commission. Additionally, supplier refunds received prior to the end of the August billing period will be included in the Factor "E." The Factor "E" includes two components -- Commodity Costs and Demand Costs which are defined above in the Factor "C" definition. Credit or recovery of the factor "E" is completed over the Company's Fiscal Year.

Firm Sales Service - The service provided to Customers who receive firm supply service from PGW. The term does not include the service provided to Customers who receive interruptible supply service from PGW.

(Gas Adjustment Charge) - The "E" factor component of the GCR, representing the net overcollection or undercollection of Natural Gas and other raw materials costs. The currently effective GAC is \$(0.04087) per Ccf for Commodity Costs and \$(0.02770) per Ccf for Demand Costs, for service on or after September 1, 2023. The total GAC is \$(0.06857) per Ccf. (D)

GCR - Gas Cost Rate determined to the nearest one-hundredth cent (\$0.0001) to be applied to each Mcf of Gas supplied under Rates GS, MS, PHA, and NGVS-Firm, except for Gas usage under the Special Provisions – Air Conditioning of those rates and is equal to the SSC plus the GAC minus the IRC.

(D) – Decrease

IRC - Interruptible Revenue Credit - The credit defined in Subsection VI below. The currently effective IRC is \$0.00117 per Ccf for service on or after September 1, 2023.

(D)

Natural Gas or Gas - The volumes of gas purchased or manufactured by the Company that is delivered to the Company's Customers, plus such portion of the Company-used and unaccounted-for gas as the Commission permits, including, but not limited to, natural gas, liquefied natural gas, synthetic gas, liquefied propane and naphtha.

S - Projected applicable Mcf of Gas to be billed to Customers during the computation year.

SSC - Sales Service Charge - The purchased Gas costs determined to the nearest $\frac{1}{100}$ of a cent (\$0.0001). The currently effective SSC is \$0.39221 per Ccf for Commodity Costs and \$0.18329 per Ccf for Demand Costs, for service on or after September 1, 2023. The total SSC is \$0.57550 per Ccf.

(I)

(I) – Increase, (D) – Decrease

PHILADELPHIA GAS WORKS

III. COMPUTATION OF GAS COST RATE

A. The GCR shall be computed to the nearest one-thousandth cent (\$0.00001) in accordance with the formula set forth below as the terms are defined in Section II:

$$\begin{aligned} \text{SSC} &= \text{C/S} \\ \text{GAC} &= \text{E/S} \\ \text{GCR} &= \text{SSC} + \text{GAC} - \text{IRC} \end{aligned}$$

B. Each Gas Cost Rate so computed shall be applied to Customers' bills for twelve monthly billing periods commencing with September.

The currently effective Gas Cost Rate is \$0.50576 per Ccf, for service on or after September 1, 2023.

(I)

IV. REPORTING REQUIREMENTS

A. The Company's rates are subject to quarterly adjustments for recovery of the Gas Cost Rate under procedures set forth in Section 1307(f) of the Public Utility Code.

B. The filing of the Company's annual Section 1307(f) filing, annual Gas Cost Rate, effective during the billing period of September through August, shall be submitted to the Commission by March 1 of each year, with a February 1 pre-filing date.

C. The application of the Gas Cost Rate shall be subject to review and audit by the Commission at such intervals as the Commission shall determine.

D. If it shall be determined, from audit by the Commission, or by final order entered after notice and hearing, that the application of this clause has resulted in the overcollection or undercollection of revenues, then the Company shall apply such over/undercollection as a credit or debit against future Gas Cost Rates.

V. PROVISION FOR INCLUSION OF SPECIFIC NON-GAS EXPENSES

The computation of the Gas Cost Rate may include such Non-Gas expenses as may be authorized by this tariff and annually authorized by the Commission.

VI. INTERRUPTIBLE REVENUE CREDIT (IRC)

A. The GCR rate shall be credited with an Interruptible Revenue Credit (IRC) equal to the margin realized from interruptible sales under PGW's Interruptible Sales Tariff Rates: BPS, LBS; and CG (Total Margin Revenue).

B. The IRC shall be set each year in the Company's 1307(f) proceeding to reflect the Total Margin Revenue. The rate per Mcf shall be calculated by dividing the Total Margin Revenue by total applicable firm sales. For the period September 1, 2003 through August 31, 2004 the IRC shall be initially set to reflect the Total Margin Revenue authorized by the Commission in its final order at M-00021612 (entered March 31, 2003).

(I) – Increase

MERCHANT FUNCTION CHARGE (“MFC”)

The MFC is a volumetric charge, applied to firm sales service customers, which will be included in the Price to Compare. The MFC is based on Gas Cost Rate multiplied by a fixed uncollectible percentage established in the Company’s last general base rate proceeding. The MFC will not be reconciled to reflect actual results. The MFC is intended to make the Company’s Price to Compare more comparable to the gas supply services price offers of other Natural Gas Suppliers that presumably reflect anticipated uncollectible expenses. The following percentages will be applied to the quarterly Gas Cost Rate in order to calculate the quarterly MFC: 3.62% - GS Residential (“GS RES”); 3.62% - GS Public Housing (“GS PHA”); 0.91% - GS Commercial (“GS COM”); and 0.42% - GS Industrial (“GS IND”). The current MFC is set forth below in the Price to Compare table.

GAS PROCUREMENT CHARGE (“GPC”)

The GPC is a volumetric charge, applied to firm sales service customers, which will be included in the Price to Compare. The GPC will remain in effect until reviewed and updated in the Company’s next general base rate proceeding.

Current Gas Procurement Charge = \$0.00400/Ccf

PRICE TO COMPARE (“PTC”)

The PTC is composed of the Sales Service Charge (“SSC”), Gas Adjustment Charge (“GAC”), the Merchant Function Charge and the Gas Procurement Charge. The PTC will change whenever any of the components of the PTC change. The current PTC is (per Ccf):

	GS-RES	GS-PH	GS-COM	GS-IND	MS	PHA	NGVS	
SSC	\$0.57550	\$0.57550	\$0.57550	\$0.57550	\$0.57550	\$0.57550	\$0.57550	(C)
GAC	\$(0.06857)	\$(0.06857)	\$(0.06857)	\$(0.06857)	\$(0.06857)	\$(0.06857)	\$(0.06857)	(C)
MFC	\$0.01831	\$0.01831	\$0.00460	\$0.00212	\$0.00000	\$0.00000	\$0.00000	(C)
GPC	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	\$0.00400	(C)
PTC	\$0.52924	\$0.52924	\$0.51553	\$0.51305	\$0.51093	\$0.51093	\$0.51093	(C)

(C) – Change

EFFICIENCY COST RECOVERY SURCHARGE

The cost of the energy efficiency programs (i.e. the demand side management programs) for the firm customer rate classes listed below will be recovered by an Efficiency Cost Recovery Surcharge applicable to all volumes of Gas delivered.

- 1) The Surcharge will recover the program costs and the administrative costs of the energy efficiency program.
- 2) Computation of the Efficiency Cost Recovery Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
- 3) Once the surcharge is in place, it will be automatically adjusted effective March 1, June 1, September 1, and December 1 of each year in accordance with Section 1307(f) quarterly adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the total energy efficiency program costs approved for annual recovery plus (or minus) any over (or under) recovery from the prior period by the estimated applicable throughput in Mcfs. The costs related to customers other than low income residential customers are tracked and will be recovered separately from each of the following firm customer rate classes if the customer class is served by the energy efficiency program:
 - a) Residential and Public Housing Customers on Rate GS;
 - b) Commercial Customers on Rate GS;
 - c) Industrial Customers on Rate GS;
 - d) Municipal Customers on Rate MS; and
 - e) The Philadelphia Housing Authority on Rate PHA.

The surcharge shall be a cents per Ccf charge calculated to the nearest one-thousandth of a cent (0.00001) which shall be added to the distribution rates for billing purposes for all customers in each of the above rate classes. The rate shall be calculated separately for each rate class as follows:

- | | |
|---|------|
| a) \$0.00171 per Ccf for Residential and Public Housing Customers on Rate GS; | (I) |
| b) \$0.00269 per Ccf for Commercial Customers on Rate GS; | (D) |
| c) \$0.00000 per Ccf for Industrial Customers on Rate GS; | (I) |
| d) \$0.00000 per Ccf for Municipal Customers on Rate MS; and | (NC) |
| e) \$0.00269 per Ccf for The Philadelphia Housing Authority on Rate PHA. | (D) |

The Enhanced Low Income Retrofit Program costs shall be recovered through the Universal Services Surcharge beginning on September 1, 2010.

(D) – Decrease; (I) – Increase; (NC) – No Change

UNIVERSAL SERVICE AND ENERGY CONSERVATION SURCHARGE

Universal service and energy conservation program and related costs will be recovered by a Universal Service and Energy Conservation Surcharge applicable to all volumes of Gas delivered.

1. The Surcharge will recover: 1) the discounts provided to Customers pursuant to the Customer Responsibility Program (CRP); 2) the discounts provided to Customers pursuant to the Senior Citizen Discount; 3) the costs of PGW's Low Income Usage Reduction Program (LIRUP), known as the Home Comfort Program (previously known as the Conservation Works Program (CWP), the Enhanced Low Income Retrofit Program (ELIRP) and the CRP Home Comfort Program); 4) the costs of the pilot Conservation Incentive Credit program; and, 5) for Customers entering the CRP program on or after September 1, 2003, past due arrearages forgiven pursuant to paragraph A (6) of the CRP/CAP Program Design Stipulation approved by the Commission by its order at M-00021612 (entered March 31, 2003).
2. Computation of the Universal Service and Energy Conservation Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
3. Once the surcharge is in place it will be automatically adjusted effective March 1, June 1, September 1, and December 1 of each year in accordance with Section 1307(f) quarterly adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined by dividing the total universal service and energy conservation program costs approved for annual recovery by the estimated applicable throughput in Mcfs.
4. The Universal Service and Energy Conservation Surcharge shall take effect upon the effective date of this Tariff.

Current Universal Service and Energy Conservation Surcharge = \$0.14690/Ccf.

(D)

(D) – Decrease

OTHER POST EMPLOYMENT BENEFIT (“OPEB”) SURCHARGE

The amounts necessary to fund PGW's Other Post Employment Benefit obligations will be recovered by an Other Post Employment Benefit Surcharge applicable to all volumes of Gas delivered.

1. Computation of the Other Post Employment Benefit Rider Surcharge factors will be in accordance with the automatic adjustment procedures utilized under Section 1307(f) of the Public Utility Code and will be filed and approved in conjunction with the Company's annual Section 1307(f)-GCR filing.
2. Once the surcharge is in place it will be automatically adjusted effective September 1 of each year to account for over (under) recoveries in accordance with Section 1307(f) adjustment procedures. No interest will be included in such surcharge computations. The basic component of the surcharge will be determined plus (or minus) any over (or under) recovery from the prior period by dividing the total OPEB funding amounts approved for annual recovery by the estimated applicable throughput in Mcfs.
3. The Other Post Employment Benefit Rider Surcharge shall take effect upon the effective date of this Tariff.

Current Other Post Employment Benefit Rider Surcharge = \$0.03385/Ccf

(D)

(D) - Decrease

GENERAL SERVICE - RATE GS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after September 1, 2023. (C)

AVAILABILITY

Available for any purpose where the Company's distribution mains adjacent to the proposed Gas Service location are, or can economically be made, suitable to supply the quantities of Gas or Transportation Services required. Not available for back-up service, refer to Rate BUS.

RATES

CUSTOMER CHARGE (per Meter (except parallel meters)):

\$ 14.90 per month for Residential and Public Housing Authority Customers.
\$ 25.35 per month for Commercial Customers
\$ 75.90 per month for Industrial Customers

Surcharge: Distribution System Improvement Charge.

Plus,

GCR (not applicable to GS Customers who transport gas through a qualified NGS):

\$0.50576 per Ccf for Residential and Public Housing (I)
\$0.50576 per Ccf for Commercial Customers (I)
\$0.50576 per Ccf for Industrial Customers (I)

Plus,

DISTRIBUTION CHARGE (consisting of items (A) and (B), below):

(A) Delivery Charge:

\$0.72955 per Ccf for Residential
\$0.65393 per Ccf for Public Housing
\$0.51908 per Ccf for Commercial Customers
\$0.51668 per Ccf for Industrial Customers

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; Restructuring and Consumer Education Surcharge; Efficiency Cost Recovery Surcharge; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge.

(I) – Increase; (C) - Change

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

MUNICIPAL SERVICE - RATE MS

Rate: Applicable to all Retail Sales Service or Transportation Service rendered pursuant to this Rate Schedule on or after September 1, 2023.

(C)AVAILABILITY

Available to properties owned or occupied by the City of Philadelphia or the Board of Education, or any of their respective agencies or instrumentalities, for any type of Gas Service, unless purchased for resale to others, and where the Company's distribution mains adjacent to the proposed Gas Service locations are, or can economically be made, suitable to supply the quantities of Gas required; provided, however, that the rate shall not be available to Commercial Tenants of any such property.

RATES

CUSTOMER CHARGE (per Meter (except parallel meters):

\$ 25.35 per month

Surcharge: Distribution System Improvement Charge.

Plus,

GCR (not applicable to MS Customers who transport Gas through a qualified NGS):

\$0.50576 per Ccf

(I)

Plus,

DISTRIBUTION CHARGE (consisting of items (A) and (B), below):

(A) Delivery Charge:

\$0.47765 per Ccf

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; and The Restructuring and Consumer Education Surcharge; the Efficiency Cost Recovery Surcharge; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge.

(I) – Increase, (C) – Change

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

PHILADELPHIA HOUSING AUTHORITY SERVICE - RATE PHA

Rate: Applicable to all Retail Sales Service or Transportation Services rendered pursuant to this Rate Schedule on or after September 1, 2023.

(C)**AVAILABILITY**

Available for all Gas usage in multiple dwelling Residential buildings containing 10 or more dwelling units, owned and operated by the Philadelphia Housing Authority, where cooking shall be performed exclusively with Gas and where Gas Service shall be supplied through one or more single point metering arrangements at locations where the Company's distribution mains adjacent to the proposed Gas Service locations are, or can economically be made, suitable to supply the quantities of Gas required.

This rate is also available for all Gas usage in single and multiple dwelling Residential buildings, containing less than 10 dwelling units, provided, and only so long as, Gas is used exclusively for cooking, water heating and space heating for all such Residential buildings owned and operated by the Philadelphia Housing Authority, except (a) buildings operated by the Philadelphia Housing Authority, prior to the original effective date of this rate (January 1, 1969), and (b) buildings for which, in the judgment of the Company, such Gas Service cannot be provided economically.

RATES

CUSTOMER CHARGE (per Meter (except parallel meters);

\$25.35 per month

Surcharge: Distribution System Improvement Charge.

Plus,

GCR (not applicable to PHA customers who transport gas through a qualified NGS):

\$0.50576 per Ccf

Plus

DISTRIBUTION CHARGE (consisting of item (A) and (B), below):

(A) Delivery Charge:

\$0.54534 per Ccf

(B) Surcharges:

Universal Service and Energy Conservation Surcharge; and The Restructuring and Consumer Education Surcharge; the Efficiency Cost Recovery Surcharge; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge.

(I) – Increase, (C) – Change

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

**DEVELOPMENTAL NATURAL GAS VEHICLE SERVICE - RATE NGVS
FIRM SERVICE**

Rate: Applicable to all Retail Sales Service rendered pursuant to this Rate Schedule on or after September 1, 2023. **(C)**

AVAILABILITY

This service is available to provide uncompressed Natural Gas to any Customer for the exclusive purpose of compressing such Gas for use as fuel for motor vehicles. The compression of the Natural Gas to the pressure required for use as a motor vehicle fuel will be conducted by the Customer, at the Customer's designated premises. Service shall only be available where the Company's distribution system is, or can economically be made available to supply the service. Each Customer will be required to execute a service agreement which will specify terms and conditions of service.

CHARACTER OF SERVICE

Service under this rate schedule is firm and shall only be interrupted in the case of operating emergencies experienced by the Company.

MONTHLY RATE

CUSTOMER CHARGE:

\$35.00 per month

Surcharge: Distribution System Improvement Charge.

Plus,

GCR (not applicable to NGVS customers who transport gas through a qualified NGS):

\$0.50576 per Ccf

(I)

Plus

DISTRIBUTION CHARGE (consisting of item (A) and (B), below):

(A) Delivery Charge (Updated in Supplement No. 65 – Issued: July 10, 2013; Effective: October 1, 2013):

\$0.12833 per Ccf

(B) Surcharges:

Universal Service and Energy Conversation Surcharge; The Restructuring and Consumer Education Surcharge; Other Post Employment Benefit Surcharge; and Distribution System Improvement Charge.

(D) – Decrease, (C) - Change

Note: The Commodity Charge includes the Sales Service Charge, the Merchant Function Charge and the Gas Procurement Charge.

PGW
Gas Supplier Tariff
Pa. P.U.C. No. 1

Supplement No. 106

PHILADELPHIA GAS WORKS
GAS SUPPLIER TARIFF



Issued by: Seth Shapiro
President and CEO

PHILADELPHIA GAS WORKS
800 West Montgomery Avenue
Philadelphia, PA 19122

List of Changes Made by this Tariff

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Updated to reflect revised page numbers.

9.14. LOAD BALANCING CHARGE, 9.14.A. (Page No. 39)

The load balancing charge effective September 1, 2023, is \$62.9290 per design day Mcf.

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9.14. LOAD BALANCING CHARGE.

9.14.A. Suppliers for all gas delivered under Firm Transportation Rates, of this Suppliers Tariff shall be charged at \$62.9290 per design day Mcf that is fulfilled by PGW storage and peaking assets, for recovery of those costs for Balancing Service, calculated in the manner set forth in the Commission's Order at M-00021612 (entered March 31, 2003) and as set forth below. Such rate for Balancing Service shall be increased or decreased, from time to time, in accordance with applicable law and procedures. (I)

9.14.B. Computation of Balancing Service Costs per Dth.

9.14.B.1. Formula. Balancing Service Costs, per design day Mcf, that is fulfilled by PGW storage and peaking assets, shall be computed to the nearest one-hundredth cent (\$0.0001) in accordance with the formula set forth below:

$$\text{BSC} = (C / S_1) - (E / S_2)$$

Projected Balancing Service Costs, so computed, shall be charged to Suppliers of Firm Transportation Rates per Customer per design day Mcf that is fulfilled by PGW storage and peaking assets, for an enrollment month. The amount of those costs, per Mcf, will vary, if appropriate, based upon annual filings by the Company pursuant to Section 1307(f) of the Public Utility Code and such supplemental filings as may be required or be appropriate under Section 1307(f) or the PUC's regulations adopted pursuant thereto.

9.14.B.2. Definitions. In computing the Balancing Service Costs, per Dth, pursuant to the formula above, the following definitions shall apply:

"BSC" - Balancing Service Costs determined to the nearest one-hundredth cent (\$0.0001) to be charged to each design day Mcf that is fulfilled by PGW storage and peaking assets, under Rate Schedule Firm.

"C" - Cost in dollars: for all types of storage and related services, the fixed and variable costs for the projected period when rates will be in effect.

"E" - the net overcollection or undercollection of Balancing Service Costs. The net overcollection or undercollection shall be determined for the most recent period permitted under law, which shall begin with the month following the last month which was included in the previous overcollection or undercollection calculation reflected in rates. The annual filing date shall be the date specified by the PUC for the Company's Section 1307(f) Tariff filing.

Each overcollection or undercollection statement shall also provide for refund or recovery of amounts necessary to adjust for overrecovery or underrecovery of "E" factor amounts under the previous Balancing Service Costs Rate. Interest shall be computed monthly at the rate as provided for in Section 1307(f) of the Public Utility Code from the month that the overcollection or undercollection occurs to the effective month such overcollection is refunded or undercollection is recouped. Such over billings (or under billings) will be made with interest at the statutory rate.

"S₁" – projected Mcf of storage gas/LNG to be delivered to Customers to meet design day needs during the projected period when rates will be in effect.

"S₂" – forecasted Mcf of load balancing volumes during the projected period when rates will be in effect.

(I) – Increase

Tab #2

Supporting Schedules
Annual 1307(f)
GCR FILING

Philadelphia Gas Works
2023-2034 1307(f) GCR FILING
53 Pa. Code § 53.64 (a)

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Philadelphia Gas Works

Levelized Gas Cost Rate

September 1, 2023

Formula:
GCR = SSC + GAC - IRC

where:

	<u>Demand</u>	<u>Commodity</u>	<u>Total</u>	
S = Firm Sales (Mcf)			40,639,813	Schedule 2
Net Natural Gas Expense	\$ 75,308,492	\$ 160,681,969	\$ 235,990,461	
Purchased Electric & Misc Expense:	\$ -	\$ 462,481	\$ 462,481	
C = Total Applicable GCR Expense	\$ 75,308,492	\$ 161,144,450	\$ 236,452,942	Schedule 3
	\$	\$	\$	
SSC = C / S	\$ 1.8531	\$ 3.9652	\$ 5.8183	
 Adjustment For:				
E-Factor Volumes (Mcf)			40,639,813	Schedule 2
Interest	\$ (5,483,824)	\$ 3,437,481	\$ (2,046,343)	Schedule 5(a),5(c)
E-Factor Reconciliation	\$ (5,646,553)	\$ (19,861,877)	\$ (25,508,431)	Schedule 4(b),4(c),4(e)
	\$ (11,130,378)	\$ (16,424,396)	\$ (27,554,774)	
E = E-Factor	\$ (0.2739)	\$ (0.4041)	\$ (0.6780)	
Interruptible Revenue Credit			\$ 476,372	Schedule 10(a)
IRC = Interruptible Revenue Credit / S			\$ 0.0117	
Net Applicable GCR Expenses = C + E - Interruptible Revenue Credit			\$ 208,421,796	
<u>GCR = SSC + GAC - IRC</u>			\$ 5.1286	
SSC in effect 9/01/23	\$ 1.8329	\$ 3.9221	\$ 5.7550	
GAC in effect 9/01/23	\$ (0.2770)	\$ (0.4087)	\$ (0.6857)	
IRC in effect 9/01/23			\$ (0.0117)	
GCR in effect 9/01/23			\$ 5.0576	Schedule 7
 Recovery Test on:				
Firm Sales (Mcf)			40,639,813	
= GCR Projected Recovery			\$ 205,504,440	
= Load Balancing Revenue			\$ 2,879,314	
= LNG Sales Demand Revenue			\$ 37,062	
= Total Projected Recovery			\$ 208,420,816	Schedule 7
Compared To				
Net Applicable GCR Expenses			\$ 208,421,796	
= Net Over/(Under) Recovery			\$ (980)	
Degree Days			3,923	

Philadelphia Gas Works

Price To Compare (\$ / MCF)

September 1, 2023

	GCR	GCA	SSC	MFC	MFC Charge	GPC Charge	GAC	Price to Compare
	1	2	3 = (1 - 2)	4	5 = (1 * 4)	6	7	8 = (3 + 5 + 6 + 7)
Residential GS	\$5.0576	(\$0.6974)	\$5.7550	3.62%	\$0.1831	\$0.0400	(\$0.6857)	\$5.2924
Commercial GS	\$5.0576	(\$0.6974)	\$5.7550	0.91%	\$0.0460	\$0.0400	(\$0.6857)	\$5.1553
Industrial GS	\$5.0576	(\$0.6974)	\$5.7550	0.42%	\$0.0212	\$0.0400	(\$0.6857)	\$5.1305
Phila. Housing Authority (PHA)	\$5.0576	(\$0.6974)	\$5.7550	0.00%	\$0.0000	\$0.0400	(\$0.6857)	\$5.1093
Municipal (MS)	\$5.0576	(\$0.6974)	\$5.7550	0.00%	\$0.0000	\$0.0400	(\$0.6857)	\$5.1093
NGV Firm	\$5.0576	(\$0.6974)	\$5.7550	0.00%	\$0.0000	\$0.0400	(\$0.6857)	\$5.1093
Phila. Housing Authority (GS)	\$5.0576	(\$0.6974)	\$5.7550	3.62%	\$0.1831	\$0.0400	(\$0.6857)	\$5.2924

SALES & VOLUMES

SEPTEMBER 2023 THROUGH AUGUST 2024

MONTH	TOTAL VOLUMES	FIRM TRANSPORT VOLUMES	BILLED SALES	INTERRUPTIBLE SALES	LNG SALES	AIR CONDITIONING SALES	GCR FIRM SALES	SENIOR CITIZEN DISCOUNT SALES	APPLICABLE VOLUMES
	<u>1</u>	<u>2</u>	<u>3 = (1 - 2)</u>	<u>4</u>	<u>4A</u>	<u>4B</u>	<u>5 = (3 - 4 - 4A - 4B)</u>	<u>6</u>	<u>7 = (5 - 6 + 2)</u>
SEPTEMBER 2023	1,061,825	178,935	882,890	32,457	1,639	-	848,793	1,540	1,026,188
OCTOBER	1,406,654	246,878	1,159,777	33,539	1,694	-	1,124,544	2,111	1,369,310
NOVEMBER	3,164,126	506,484	2,657,641	32,457	1,639	-	2,623,545	5,930	3,124,099
DECEMBER	5,787,738	882,496	4,905,242	33,539	1,694	-	4,870,009	11,398	5,741,107
JANUARY 2024	10,636,560	1,521,130	9,115,430	33,539	1,694	-	9,080,197	22,039	10,579,287
FEBRUARY	9,071,376	1,293,014	7,778,362	31,375	1,585	-	7,745,402	18,445	9,019,971
MARCH	6,876,464	992,751	5,883,714	33,539	1,694	-	5,848,480	13,481	6,827,750
APRIL	4,589,463	648,859	3,940,604	32,457	1,639	-	3,906,508	8,780	4,546,586
MAY	2,113,913	316,677	1,797,235	33,539	1,694	-	1,762,002	3,500	2,075,179
JUNE	1,302,856	216,864	1,085,992	32,457	1,639	-	1,051,895	1,670	1,267,089
JULY	1,139,124	192,396	946,728	33,539	1,694	-	911,495	1,388	1,102,503
AUGUST	<u>1,086,005</u>	<u>183,828</u>	<u>902,177</u>	<u>33,539</u>	<u>1,694</u>	<u>-</u>	<u>866,943</u>	<u>1,300</u>	<u>1,049,471</u>
TOTAL	48,236,104	7,180,311	41,055,792	395,979	20,000	-	40,639,813	91,583	47,728,542

**PROJECTED APPLICABLE FUEL EXPENSE
SUMMARY
SEPTEMBER 2023 - AUGUST 2024**

	SEPTEMBER 2023	OCTOBER 2023	NOVEMBER 2023	DECEMBER 2023	JANUARY 2024	FEBRUARY 2024	MARCH 2024	APRIL 2024	MAY 2024	JUNE 2024	JULY 2024	AUGUST 2024	TOTAL
NATURAL GAS BILLED													
DEMAND CHARGE	\$5,751,195	\$5,691,386	\$6,782,901	\$7,145,047	\$7,144,284	\$7,171,778	\$7,080,925	\$5,745,364	\$5,685,240	\$5,743,570	\$5,683,760	\$5,683,042	\$75,308,492
COMMODITY CHARGE	\$7,221,401	\$11,502,390	\$14,390,824	\$17,684,150	\$19,959,185	\$16,039,102	\$15,058,907	\$12,846,256	\$12,087,092	\$9,419,825	\$9,876,321	\$9,698,415	\$155,783,869
TOTAL NATURAL GAS BILLED	\$12,972,597	\$17,193,775	\$21,173,725	\$24,829,197	\$27,103,470	\$23,210,880	\$22,139,832	\$18,591,620	\$17,772,332	\$15,163,395	\$15,560,080	\$15,381,457	\$231,092,361
INTERRUPTIBLE AND FIRM A/C CREDIT	\$104,120	\$114,291	\$122,213	\$141,324	\$147,060	\$133,790	\$127,724	\$113,042	\$111,990	\$108,132	\$114,951	\$116,248	\$1,454,886
SENDOUT VOLUME IN MCF	33,255	34,364	33,255	34,364	34,364	32,147	34,364	33,255	34,364	33,255	34,364	34,364	405,715
DKT CONVERSION FACTOR	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034	
PRICE \$/DKT	\$3.0280	\$3.2166	\$3.5541	\$3.9774	\$4.1388	\$4.0250	\$3.5946	\$3.2875	\$3.1518	\$3.1446	\$3.2351	\$3.2716	
GAS USED FOR UTILITY	\$24,841	\$37,465	\$86,731	\$183,900	\$231,066	\$234,254	\$129,582	\$82,661	\$40,474	\$24,709	\$20,349	\$21,775	\$1,117,807
NATURAL GAS TO STORAGE	(\$4,605,431)	(\$4,920,566)	(\$92,643)	\$ -	\$ -	\$ -	\$ -	(\$3,818,610)	(\$7,433,945)	(\$6,793,471)	(\$7,090,501)	(\$6,887,336)	(\$41,642,504)
FROM STORAGE PGW	\$ -	\$ -	\$ 1,170,026	\$ 10,711,767	\$ 16,124,433	\$ 14,285,704	\$ 6,471,693	\$ 877,909	\$ -	\$ -	\$ -	\$ -	\$49,641,533
FT FROM STORAGE	\$ -	\$ -	\$ 93,930	\$ 993,970	\$ 1,613,203	\$ 1,157,771	\$ 359,391	\$ 28,008	\$ -	\$ -	\$ -	\$ -	\$4,246,273
NET NATURAL GAS STORAGE	(\$4,605,431)	(\$4,920,566)	\$1,077,383	\$10,711,767	\$16,124,433	\$14,285,704	\$6,471,693	(\$2,940,701)	(\$7,433,945)	(\$6,793,471)	(\$7,090,501)	(\$6,887,336)	\$7,999,028
LNG TO STORAGE	(\$77)	(\$409,021)	(\$1,460,235)	(\$1,336,619)	(\$957,018)	(\$1,472,380)	(\$1,224,491)	(\$641,480)	(\$208,203)	\$ -	\$ -	\$ -	(\$7,709,524)
FROM LNG PGW	\$362,743	\$373,816	\$364,383	\$989,133	\$1,711,010	\$1,135,308	\$397,138	\$381,898	\$392,431	\$379,148	\$391,786	\$391,786	\$7,270,580
FT FROM LNG	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET LNG STORAGE	\$362,666	(\$35,205)	(\$1,095,852)	(\$347,486)	\$753,992	(\$337,072)	(\$827,353)	(\$259,582)	\$184,228	\$379,148	\$391,786	\$391,786	(\$438,944)
LNG SALES FROM LNG TANK	\$7,176	\$7,415	\$7,139	\$7,362	\$7,448	\$7,078	\$7,763	\$7,495	\$7,684	\$7,413	\$7,660	\$7,660	\$89,291
SENDOUT VOLUMES (MCF)	1,639	1,694	1,639	1,694	1,694	1,585	1,694	1,639	1,694	1,639	1,694	1,694	
@ AVG LNG COMMODITY RATE	\$4.3772	\$4.3772	\$4.3548	\$4.3457	\$4.3969	\$4.4664	\$4.5824	\$4.5720	\$4.5358	\$4.5218	\$4.5218	\$4.5218	
NET NATURAL GAS EXPENSE	\$8,593,695	\$12,078,833	\$20,939,174	\$34,860,893	\$43,596,320	\$36,784,390	\$27,519,103	\$15,188,138	\$10,362,467	\$8,608,817	\$8,718,405	\$8,740,224	\$235,990,461
APPLICABLE GCR EXPENSE													
NET NATURAL GAS EXPENSE	\$8,593,695	\$12,078,833	\$20,939,174	\$34,860,893	\$43,596,320	\$36,784,390	\$27,519,103	\$15,188,138	\$10,362,467	\$8,608,817	\$8,718,405	\$8,740,224	\$235,990,461
PURCHASED ELECTRIC & MISC	\$24,409	\$28,784	\$26,057	\$23,127	\$163,786	\$35,777	\$38,151	\$26,065	\$21,480	\$25,031	\$22,864	\$26,948	\$462,481
TOTAL APPLICABLE EXPENSES	\$8,618,104	\$12,107,617	\$20,965,231	\$34,884,020	\$43,760,107	\$36,820,167	\$27,557,254	\$15,214,203	\$10,383,947	\$8,633,849	\$8,741,269	\$8,767,173	\$236,452,942
TOTAL GCR FIRM SALES	848,793	1,124,544	2,623,545	4,870,009	9,080,197	7,745,402	5,848,480	3,906,508	1,762,002	1,051,895	911,495	866,943	40,639,813

**ACTUAL / ESTIMATED DATA - FISCAL YEAR 2023
PHILADELPHIA GAS WORKS**

Rate	7/1/2022	Split Month 9/1/2022	10/1/2022	Split Month 12/1/2022	1/1/2023	Split Month 3/1/2023	4/1/2023
	SSC in Effect	\$ 9.1655	\$ 8.8381	\$ 8.5106	\$ 8.2042	\$ 7.8977	\$ 6.4190
GAC in Effect	\$ (0.1505)	\$ (0.0070)	\$ 0.1366	\$ 0.1366	\$ 0.1366	\$ 0.0915	\$ 0.0463
IRC in Effect	\$ (0.0093)	\$ (0.0097)	\$ (0.0101)	\$ (0.0101)	\$ (0.0101)	\$ (0.0113)	\$ (0.0125)
Total Effective	\$ 9.0057	\$ 8.8214	\$ 8.6371	\$ 8.3307	\$ 8.0242	\$ 6.4991	\$ 4.9740
Percentage of Total							
C-Factor	101.8%	100.2%	98.5%	98.5%	98.4%	98.8%	99.3%
E-Factor	-1.7%	-0.1%	1.6%	1.6%	1.7%	1.4%	0.9%
IRC-Factor	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.2%	-0.3%
Total	100%	100%	100%	100%	100%	100%	100%

C-Factor							
Demand Charge in Effect	\$ 1.9504	\$ 1.9286	\$ 1.9067	\$ 2.0053	\$ 2.1038	\$ 1.7113	\$ 1.3188
Commodity in Effect	\$ 7.2151	\$ 6.9095	\$ 6.6039	\$ 6.1989	\$ 5.7939	\$ 4.7077	\$ 3.6214
	\$ 9.1655	\$ 8.8381	\$ 8.5106	\$ 8.2042	\$ 7.8977	\$ 6.4190	\$ 4.9402
Percentage of Total							
Demand Charge in Effect	21.3%	21.8%	22.4%	24.4%	26.6%	26.7%	26.7%
Commodity in Effect	78.7%	78.2%	77.6%	75.6%	73.4%	73.3%	73.3%
	100%	100%	100%	100%	100%	100%	100%

	C-Factor Over/(Under)	E-Factor Over/(Under)	Interest Over/(Under)	FY 2022 Final E-Factor
Fiscal Year 2022 E-Factor	\$ (11,450,832)	\$ 5,630,296	\$ (415,944)	\$ (6,236,480)

Actual Fiscal Year 2022-2023	Sep-2022	Oct-2022	Nov-2022	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023	Aug-2023	FY 2023
	Actual	Actual	Actual	Actual	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	Total
GCR Firm Sales	817,159	1,462,604	2,490,685	5,352,924	7,626,255	7,449,770	5,841,069	3,904,598	1,759,361	1,048,562	908,529	864,195	39,525,713
GCR Revenue Billed	\$ 7,201,117	\$ 12,613,579	\$ 21,520,311	\$ 44,447,241	\$ 61,194,597	\$ 59,778,446	\$ 37,961,691	\$ 19,421,470	\$ 8,751,062	\$ 5,215,548	\$ 4,519,025	\$ 4,298,506	\$ 286,922,593
Migration Rider Revenue Billed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Load Balancing Billed	\$ 147,057	\$ 72,928	\$ 527,633	\$ 232,289	\$ 249,588	\$ 250,179	\$ 234,371	\$ 234,752	\$ 235,203	\$ 235,602	\$ 236,001	\$ 236,400	\$ 2,892,002
LNG Sales Demand Charge Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue Billed	\$ 7,348,174	\$ 12,686,507	\$ 22,047,944	\$ 44,679,530	\$ 61,444,185	\$ 60,028,624	\$ 38,196,062	\$ 19,656,222	\$ 8,986,265	\$ 5,451,151	\$ 4,755,026	\$ 4,534,906	\$ 289,814,595
Natural Gas Refunds	\$ -	\$ 3,358	\$ 666	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,023
Demand Charges	\$ 6,960,932	\$ 7,644,875	\$ 5,256,730	\$ 5,285,159	\$ 4,437,421	\$ 4,723,793	\$ 4,353,327	\$ 6,293,902	\$ 6,251,418	\$ 6,291,480	\$ 6,249,130	\$ 6,248,009	\$ 69,996,175
Supply Charges	\$ 5,072,487	\$ 10,897,705	\$ 19,016,480	\$ 49,983,766	\$ 34,554,447	\$ 28,873,967	\$ 19,357,177	\$ 9,627,959	\$ 4,266,010	\$ 2,710,893	\$ 2,898,402	\$ 2,926,675	\$ 190,185,969
Net Cost of Fuel	\$ 12,033,418	\$ 18,542,581	\$ 24,273,210	\$ 55,268,925	\$ 38,991,868	\$ 33,597,761	\$ 23,710,504	\$ 15,921,861	\$ 10,517,428	\$ 9,002,373	\$ 9,147,533	\$ 9,174,684	\$ 260,182,144

**FISCAL YEAR 2023
PHILADELPHIA GAS WORKS
C-FACTOR RECONCILIATION**

MONTH	NET COST	TOTAL	C FACTOR	C FACTOR	LOAD BALANCING	LNG SALES GCR	TOTAL	NATURAL GAS	OVER/	CUMULATIVE
	OF FUEL	GCR		REVENUE			REVENUE		C FACTOR	
	1	2	% of GCR	4 = (2 * 3)	5	6	7 = (4 + 5 + 6)	8	9 = (7 + 8 - 1)	10
	(\$)	(\$)		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
SEPTEMBER 2022	12,033,418	7,201,117	100.2%	7,214,709	147,057	0	7,361,766	0	(4,671,652)	(4,671,652)
OCTOBER	18,542,581	12,613,579	98.5%	12,428,839	72,928	0	12,501,767	3,358	(6,037,456)	(10,709,109)
NOVEMBER	24,273,210	21,520,311	98.5%	21,205,122	527,633	0	21,732,755	666	(2,539,790)	(13,248,898)
DECEMBER	55,268,925	44,447,241	98.5%	43,772,315	232,289	0	44,004,603	0	(11,264,322)	(24,513,221)
JANUARY 2023	38,991,868	61,194,597	98.4%	60,229,876	249,588	0	60,479,464	0	21,487,596	(3,025,625)
FEBRUARY	33,597,761	59,778,446	98.4%	58,836,050	250,179	0	59,086,229	0	25,488,468	22,462,843
MARCH	23,710,504	37,961,691	98.8%	37,493,529	234,371	0	37,727,900	0	14,017,396	36,480,240
APRIL	15,921,861	19,421,470	99.3%	19,289,494	234,752	0	19,524,246	0	3,602,386	40,082,625
MAY	10,517,428	8,751,062	99.3%	8,691,596	235,203	0	8,926,799	0	(1,590,629)	38,491,996
JUNE	9,002,373	5,215,548	99.3%	5,180,107	235,602	0	5,415,709	0	(3,586,663)	34,905,333
JULY	9,147,533	4,519,025	99.3%	4,488,317	236,001	0	4,724,318	0	(4,423,215)	30,482,119
AUGUST	<u>9,174,684</u>	<u>4,298,506</u>	<u>99.3%</u>	<u>4,269,296</u>	<u>236,400</u>	<u>0</u>	<u>4,505,696</u>	<u>0</u>	<u>(4,668,988)</u>	<u>25,813,130</u>
Total	260,182,144	286,922,593		283,099,249	2,892,002	0	285,991,251	4,023	25,813,130	

**FISCAL YEAR 2023
PHILADELPHIA GAS WORKS
E-FACTOR RECONCILIATION**

		GCR SALES 1	TOTAL E-FACTOR VOLUMES 2	TOTAL GCR REVENUE BILLED 3	E-FACTOR % of GCR 4	E-FACTOR GCR REVENUE BILLED 5=(3 * 4)	OVER/(UNDER) PROJECTED RECOVERY 6
		(MCF)	(MCF)	(\$)		(\$)	(\$)
PRIOR YEAR E-FACTOR							\$ (6,236,480)
Adjustment for FY 21 in NCF							\$ 1,682,378
							\$ (4,554,102)
MONTH							
SEPTEMBER 2022	Actual	817,159	817,159	\$ 7,201,117	-0.1%	\$ (5,673)	\$ (4,559,776)
OCTOBER	Actual	1,462,604	1,462,604	\$ 12,613,579	1.6%	\$ 199,490	\$ (4,360,286)
NOVEMBER	Actual	2,490,685	2,490,685	\$ 21,520,311	1.6%	\$ 340,354	\$ (4,019,931)
DECEMBER	Actual	5,352,924	5,352,924	\$ 44,447,241	1.6%	\$ 728,814	\$ (3,291,117)
JANUARY 2023	Estimated	7,626,255	7,626,255	\$ 61,194,597	1.7%	\$ 1,041,746	\$ (2,249,371)
FEBRUARY	Estimated	7,449,770	7,449,770	\$ 59,778,446	1.7%	\$ 1,017,639	\$ (1,231,732)
MARCH	Estimated	5,841,069	5,841,069	\$ 37,961,691	1.4%	\$ 534,166	\$ (697,567)
APRIL	Estimated	3,904,598	3,904,598	\$ 19,421,470	0.9%	\$ 180,783	\$ (516,784)
MAY	Estimated	1,759,361	1,759,361	\$ 8,751,062	0.9%	\$ 81,458	\$ (435,325)
JUNE	Estimated	1,048,562	1,048,562	\$ 5,215,548	0.9%	\$ 48,548	\$ (386,777)
JULY	Estimated	908,529	908,529	\$ 4,519,025	0.9%	\$ 42,065	\$ (344,712)
AUGUST	Estimated	864,195	864,195	\$ 4,298,506	0.9%	\$ 40,012	\$ (304,700)
TOTAL		39,525,713	39,525,713	286,922,593		\$ 4,249,402	

**FISCAL YEAR 2023
PHILADELPHIA GAS WORKS
IRC FACTOR REVENUE BILLED**

MONTH	TOTAL GCR REVENUE BILLED 1	IRC- FACTOR % of GCR 2	IRC-FACTOR REVENUE BILLED 3 = (1 * 2)
	\$		\$
SEPTEMBER 2022	7,201,117	-0.11%	(7,918)
OCTOBER	12,613,579	-0.12%	(14,750)
NOVEMBER	21,520,311	-0.12%	(25,165)
DECEMBER	44,447,241	-0.12%	(53,887)
JANUARY 2023	61,194,597	-0.13%	(77,025)
FEBRUARY	59,778,446	-0.13%	(75,243)
MARCH	37,961,691	-0.17%	(66,004)
APRIL	19,421,470	-0.25%	(48,807)
MAY	8,751,062	-0.25%	(21,992)
JUNE	5,215,548	-0.25%	(13,107)
JULY	4,519,025	-0.25%	(11,357)
AUGUST	<u>4,298,506</u>	-0.25%	<u>(10,802)</u>
TOTALS	286,922,593		(426,057)

**FISCAL YEAR 2023
PHILADELPHIA GAS WORKS
RECONCILIATION OF DEMAND CHARGES**

MONTH	DEMAND CHARGES LESS LOAD BALANCING CHARGE REVENUE	DEMAND REVENUE BILLED	MONTHLY DEMAND OVER/(UNDER)	CUMULATIVE DEMAND OVER/(UNDER)
	1	2	3 = (2 - 1)	4
	\$	\$	\$	\$
SEPTEMBER 2022	6,813,874	1,575,933	(5,237,942)	(5,237,942)
OCTOBER	7,571,947	2,788,747	(4,783,201)	(10,021,142)
NOVEMBER	4,729,097	4,748,989	19,892	(10,001,250)
DECEMBER	5,052,870	10,733,952	5,681,081	(4,320,168)
JANUARY 2023	4,187,833	16,044,116	11,856,283	7,536,115
FEBRUARY	4,473,614	15,672,826	11,199,212	18,735,327
MARCH	4,118,956	9,995,821	5,876,865	24,612,192
APRIL	6,059,150	5,149,384	(909,766)	23,702,425
MAY	6,016,215	2,320,245	(3,695,970)	20,006,456
JUNE	6,055,877	1,382,844	(4,673,033)	15,333,422
JULY	6,013,129	1,198,169	(4,814,961)	10,518,462
AUGUST	<u>6,011,609</u>	<u>1,139,700</u>	<u>(4,871,908)</u>	5,646,553
TOTALS	67,104,173	72,750,726	5,646,553	

**FISCAL YEAR 2023
PHILADELPHIA GAS WORKS
INTEREST CALCULATION**

<u>MONTH</u>	NET COST OF FUEL ⁽¹⁾ 1 (\$)	TOTAL C FACTOR REVENUE BILLED ⁽¹⁾ 2 (\$)	OVER/ (UNDER) RECOVERY 3 = (2 - 1) (\$)	INTEREST RATE 4 (\$)	TIME FACTOR 5 (\$)	INTEREST EXPENSE 6 = (3*4*5) (\$)	INTEREST NATURAL GAS REFUNDS ⁽²⁾ 7 (\$)	TOTAL INTEREST 8 = (6+7) (\$)
SEPTEMBER 22	12,033,418	7,361,766	(4,671,652)	7.50%	18/12	(525,561)	-	(525,561)
OCTOBER	18,542,581	12,501,767	(6,040,814)	7.50%	17/12	(641,837)	285	(641,552)
NOVEMBER	24,273,210	21,732,755	(2,540,456)	7.50%	16/12	(254,046)	53	(253,993)
DECEMBER	55,268,925	44,004,603	(11,264,322)	7.50%	15/12	(1,056,030)	-	(1,056,030)
JANUARY 23	38,991,868	60,479,464	21,487,596	7.50%	14/12	1,880,165	-	1,880,165
FEBRUARY	33,597,761	59,086,229	25,488,468	7.50%	13/12	2,070,938	-	2,070,938
MARCH	23,710,504	37,727,900	14,017,396	7.50%	12/12	1,051,305	-	1,051,305
APRIL	15,921,861	19,524,246	3,602,386	7.50%	11/12	247,664	-	247,664
MAY	10,517,428	8,926,799	(1,590,629)	7.50%	10/12	(99,414)	-	(99,414)
JUNE	9,002,373	5,415,709	(3,586,663)	7.50%	9/12	(201,750)	-	(201,750)
JULY	9,147,533	4,724,318	(4,423,215)	7.50%	8/12	(221,161)	-	(221,161)
AUGUST	9,174,684	4,505,696	(4,668,988)	7.50%	7/12	(204,268)	-	(204,268)
Total	260,182,144	285,991,251	25,809,107			2,046,005	338	2,046,343

(1) See Schedule 4(b)

(2) See Schedule 5(c)

**FISCAL YEAR 2023
PHILADELPHIA GAS WORKS
INTEREST ON NATURAL GAS REFUNDS**

<u>MONTH</u>	NATURAL GAS REFUNDS ⁽¹⁾	INTEREST RATE	TIME FACTOR	INTEREST ON REFUNDS
	1	2	3	4=(1*2*3)
	(\$)			(\$)
SEPTEMBER 22	0	6.00%	18/12	0
OCTOBER	3,358	6.00%	17/12	285
NOVEMBER	666	6.00%	16/12	53
DECEMBER	0	6.00%	15/12	0
JANUARY 23	0	6.00%	14/12	0
FEBRUARY	0	6.00%	13/12	0
MARCH	0	6.00%	12/12	0
APRIL	0	6.00%	11/12	0
MAY	0	6.00%	10/12	0
JUNE	0	6.00%	9/12	0
JULY	0	6.00%	8/12	0
AUGUST	0	6.00%	7/12	0
TOTAL	4,023			338

**FISCAL YEAR 2023
PHILADELPHIA GAS WORKS
DEMAND AND COMMODITY INTEREST CALCULATION**

MONTH	OVER/(UNDER) RECOVERY (1) 1 (\$)	DEMAND CHARGE OVER/(UNDER) RECOVERY (2) 2 (\$)	COMMODITY CHARGE OVER/(UNDER) RECOVERY 3=(1-2) 3 (\$)	INTEREST RATE 4	TIME FACTOR 5	DEMAND INTEREST EXPENSE 6=(2*4*5) 6 (\$)	COMMODITY INTEREST EXPENSE 7=(3*4*5) 7 (\$)	TOTAL INTEREST EXPENSE 8=(6+7) 8 (\$)	INTEREST ON REFUNDS (3) 9 (\$)	TOTAL INTEREST 10=(8+9) 10 (\$)
SEPTEMBER 22	(4,671,652)	(5,237,942)	566,289	7.50%	18/12	(589,268)	63,708	(525,561)	0	(525,561)
OCTOBER	(6,040,814)	(10,021,142)	3,980,328	7.50%	17/12	(1,064,746)	422,910	(641,837)	285	(641,552)
NOVEMBER	(2,540,456)	(10,001,250)	7,460,794	7.50%	16/12	(1,000,125)	746,079	(254,046)	53	(253,993)
DECEMBER	(11,264,322)	(4,320,168)	(6,944,154)	7.50%	15/12	(405,016)	(651,014)	(1,056,030)	0	(1,056,030)
JANUARY 23	21,487,596	7,536,115	13,951,481	7.50%	14/12	659,410	1,220,755	1,880,165	0	1,880,165
FEBRUARY	25,488,468	18,735,327	6,753,141	7.50%	13/12	1,522,245	548,693	2,070,938	0	2,070,938
MARCH	14,017,396	24,612,192	(10,594,795)	7.50%	12/12	1,845,914	(794,610)	1,051,305	0	1,051,305
APRIL	3,602,386	23,702,425	(20,100,040)	7.50%	11/12	1,629,542	(1,381,878)	247,664	0	247,664
MAY	(1,590,629)	20,006,456	(21,597,085)	7.50%	10/12	1,250,403	(1,349,818)	(99,414)	0	(99,414)
JUNE	(3,586,663)	15,333,422	(18,920,086)	7.50%	9/12	862,505	(1,064,255)	(201,750)	0	(201,750)
JULY	(4,423,215)	10,518,462	(14,941,676)	7.50%	8/12	525,923	(747,084)	(221,161)	0	(221,161)
AUGUST	(4,668,988)	5,646,553	(10,315,542)	7.50%	7/12	247,037	(451,305)	(204,268)	0	(204,268)
TOTAL FY 2023	25,809,107	96,510,450	(70,701,343)			5,483,824	(3,437,819)	2,046,005	338	2,046,343

**FISCAL YEAR 2024
PHILADELPHIA GAS WORKS
LOAD BALANCING REVENUE**

<u>Month</u>		<u>Load Balancing Revenue Billed (\$)</u>
September 2023	Estimated	\$ 238,381
October	Estimated	\$ 238,633
November	Estimated	\$ 239,018
December	Estimated	\$ 239,259
January 2024	Estimated	\$ 239,518
February	Estimated	\$ 239,771
March	Estimated	\$ 240,087
April	Estimated	\$ 240,340
May	Estimated	\$ 240,699
June	Estimated	\$ 240,951
July	Estimated	\$ 241,203
<u>August</u>	Estimated	\$ 241,455
Total		<u>\$ 2,879,314</u>

CALCULATION OF RECOVERED CHARGES
1307F Filing
September 1, 2023

	<u>50% September</u>	<u>11.5 Months</u>	<u>Total</u>
			(MCF) (\$)
S - Firm Sales (Mcf)	424,397	40,215,417	40,639,813
C-Factor	\$ 4.9402	\$ 5.7550	
Projected Recovery	2,096,604	231,439,724	\$ 233,536,327
S - Firm Sales (Mcf)	424,397	40,215,417	40,639,813
IRC-Factor	\$ (0.0125)	\$ (0.0117)	
Projected Recovery	(5,305)	(470,520)	\$ (475,825)
E-Factor Volumes (Mcf)	424,397	40,215,417	40,639,813
E-Factor	\$ 0.0463	\$ (0.6857)	
Projected Recovery	19,650	(27,575,711)	\$ (27,556,062)
GCR (\$ / Mcf)	\$ 4.9740	\$ 5.0576	
GCR Projected Recovery			\$ 205,504,440
Load Balancing Revenue			\$ 2,879,314
LNG Sales Demand Revenue			\$ 37,062
TOTAL PROJECTED RECOVERY			\$ 208,420,816

**Change In Rates
1307 F Filing
Rates Effective September 1, 2023**

	<u>Current Rates</u>				03/01/23 Commodity Rate (5)=(1)+(2)+(3)+(4)
	03/01/23 <u>Distribution Charge</u> (1)	03/01/23 <u>GCR</u> (2)	03/01/23 <u>MFC</u> (3)	03/01/23 <u>GPC</u> (4)	
Residential GS	\$9.2321	\$4.9740	\$0.1801	\$0.0400	\$14.4262
Commercial GS	\$7.1443	\$4.9740	\$0.0453	\$0.0400	\$12.2036
Industrial GS	\$7.0895	\$4.9740	\$0.0209	\$0.0400	\$12.1244
Phila.Housing Authority (PHA)	\$7.4069	\$4.9740	\$0.0000	\$0.0400	\$12.4209
Municipal (MS)	\$6.7015	\$4.9740	\$0.0000	\$0.0400	\$11.7155
Phila.Housing Authority (GS)	\$8.4759	\$4.9740	\$0.1801	\$0.0400	\$13.6700

September 1, 2023 - Distribution Charge

	<u>Delivery</u> Delivery Charge (6)	<u>Surcharges</u>			<u>Restructuring & Consumer Education</u> (10)	<u>Total Surcharges</u> (11)=(7)+(8)+(9)+(10)	<u>Distribution Charge / Mcf</u> (12)=(11)+(6)
		<u>Other Post Employment Benefit</u> (7)	<u>Efficiency Cost Recovery</u> (8)	<u>Universal Service & Ener. Cons.</u> (9)			
Residential GS	\$7.2955	\$0.3385	\$0.0171	\$1.4690	\$0.0000	\$1.8246	\$9.1201
Commercial GS	\$5.1908	\$0.3385	\$0.0269	\$1.4690	\$0.0000	\$1.8344	\$7.0252
Industrial GS	\$5.1668	\$0.3385	\$0.0000	\$1.4690	\$0.0000	\$1.8075	\$6.9743
Phila.Housing Authority (PHA)	\$5.4534	\$0.3385	\$0.0269	\$1.4690	\$0.0000	\$1.8344	\$7.2878
Municipal (MS)	\$4.7765	\$0.3385	\$0.0000	\$1.4690	\$0.0000	\$1.8075	\$6.5840
Phila.Housing Authority (GS)	\$6.5393	\$0.3385	\$0.0171	\$1.4690	\$0.0000	\$1.8246	\$8.3639

Proposed Rates

	09/01/23 <u>Distribution Charge</u> (12)	09/01/23 <u>GCR</u> (13)	09/01/23 <u>MFC</u> (14)	09/01/23 <u>GPC</u> (15)	09/01/23 Commodity Rate (16)=(12)+(13)+(14)+(15)	<u>Difference</u> (17)=(16)-(5)
	Residential GS	\$9.1201	\$5.0576	\$0.1831	\$0.0400	\$14.4008
Commercial GS	\$7.0252	\$5.0576	\$0.0460	\$0.0400	\$12.1688	(\$0.0348)
Industrial GS	\$6.9743	\$5.0576	\$0.0212	\$0.0400	\$12.0931	(\$0.0313)
Phila.Housing Authority (PHA)	\$7.2878	\$5.0576	\$0.0000	\$0.0400	\$12.3854	(\$0.0355)
Municipal (MS)	\$6.5840	\$5.0576	\$0.0000	\$0.0400	\$11.6816	(\$0.0339)
Phila.Housing Authority (GS)	\$8.3639	\$5.0576	\$0.1831	\$0.0400	\$13.6446	(\$0.0254)

PHILADELPHIA GAS WORKS
SEPTEMBER 1, 2023
UNIVERSAL SERVICE & ENERGY CONSERVATION SURCHARGE

	Expenses in <u>the Surcharge</u>
Enhanced Low Income Retrofit Program (ELIRP)	\$ 7,988,818
Customer Responsibility Program (CRP)	\$ 59,566,550
Senior Citizen Discount *	\$ 1,422,302
<u>February 2023 Under Collection</u>	<u>\$ 1,070,068</u>
Total \$ to be Recovered	\$ 70,047,738
Total Applicable Volumes	Mcf 47,684,587
Universal Service & Energy Conservation Surcharge	<u>\$ 1.4690</u>

* This is the Senior Citizen Discount based on the Distribution Charge without the Universal Services Surcharge plus the GCR. This is used to calculate the Universal Services Surcharge. The total senior citizen discount is \$1,564,969

**STATEMENT OF RECONCILIATION
UNIVERSAL SERVICES & ENERGY CONSERVATION SURCHARGE
SEPTEMBER 2022 THROUGH AUGUST 2023**

<u>Month</u>		<u>USC Applicable Volumes</u>	<u>USC Charge</u>	<u>USC Revenue Billed</u>	<u>USC Expenses</u>	<u>Monthly Over/(Under) Recovery</u>	<u>Cumulative Over/(Under) Recovery</u>
FY 22 Reconciliation							\$ 1,337,511
September 2022	Actual	992,962	\$ 1.9902	\$ 1,976,193	\$ 270,353	\$ 1,705,840	\$ 3,043,351
October	Actual	1,754,046	\$ 1.8920	\$ 3,318,655	\$ 2,075,986	\$ 1,242,669	\$ 4,286,020
November	Actual	2,942,220	\$ 1.8920	\$ 5,566,680	\$ 6,578,422	\$ (1,011,742)	\$ 3,274,278
December	Actual	6,189,652	\$ 1.8137	\$ 11,226,172	\$ 11,704,149	\$ (477,977)	\$ 2,796,301
January 2023	Estimated	8,854,757	\$ 1.7354	\$ 15,366,545	\$ 17,851,111	\$ (2,484,566)	\$ 311,735
February	Estimated	8,662,712	\$ 1.7354	\$ 15,033,271	\$ 17,534,033	\$ (2,500,762)	\$ (2,189,027)
March	Estimated	6,801,100	\$ 1.6408	\$ 11,158,906	\$ 12,310,792	\$ (1,151,886)	\$ (3,340,913)
April	Estimated	4,531,688	\$ 1.5461	\$ 7,006,443	\$ 7,304,530	\$ (298,087)	\$ (3,639,000)
May	Estimated	2,065,160	\$ 1.5461	\$ 3,192,943	\$ 2,796,299	\$ 396,644	\$ (3,242,356)
June	Estimated	1,257,861	\$ 1.5461	\$ 1,944,778	\$ 1,207,151	\$ 737,628	\$ (2,504,728)
July	Estimated	1,094,354	\$ 1.5461	\$ 1,691,981	\$ 965,429	\$ 726,552	\$ (1,778,176)
August	Estimated	1,041,851	\$ 1.5461	\$ 1,610,805	\$ 902,697	\$ 708,108	\$ (1,070,068)

<u>USC Expenses</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Jan-23</u>	<u>Feb-23</u>	<u>Mar-23</u>	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>FY 23 TOTAL</u>
ELIRP Expense	\$ 51,119	\$ 2,032	\$ 1,230,378	\$ 3,507	\$ 820,723	\$ 820,723	\$ 820,723	\$ 820,723	\$ 820,723	\$ 820,723	\$ 820,723	\$ 820,723	\$ 7,852,817
ELIRP Labor	\$ 7,477	\$ 6,882	\$ 6,882	\$ 8,596	\$ 13,270	\$ 13,270	\$ 13,270	\$ 13,270	\$ 13,270	\$ 13,270	\$ 13,270	\$ 13,270	\$ 136,001
Conservation Incentive Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CRP Discount	\$ (824,439)	\$ 1,018,285	\$ 4,314,039	\$ 10,578,706	\$ 15,670,352	\$ 15,365,594	\$ 10,247,775	\$ 5,338,989	\$ 917,962	\$ (634,792)	\$ (867,903)	\$ (926,759)	\$ 60,197,809
CRP Forgiveness	\$ 979,140	\$ 947,472	\$ 849,797	\$ 796,716	\$ 918,744	\$ 927,070	\$ 939,478	\$ 952,141	\$ 959,920	\$ 956,732	\$ 953,416	\$ 951,321	\$ 11,131,946
Senior Citizen Discount	\$ 57,055	\$ 101,316	\$ 177,326	\$ 316,625	\$ 428,022	\$ 407,375	\$ 289,546	\$ 179,407	\$ 84,423	\$ 51,218	\$ 45,923	\$ 44,142	\$ 2,182,379
Bad Debt Expense Offset*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 270,353	\$ 2,075,986	\$ 6,578,422	\$ 11,704,149	\$ 17,851,111	\$ 17,534,033	\$ 12,310,792	\$ 7,304,530	\$ 2,796,299	\$ 1,207,151	\$ 965,429	\$ 902,697	\$ 81,500,952

CRP Participation					
Rate Case Participation Rate		80,000	80,000	80,000	80,000
Actual Participation Rate		50,723	50,981	50,598	50,412
CRP Under/(Over) Participation		29,277	29,019	29,402	29,588
Average Shortfall Per CRP Participant					
CRP Discount	\$ (824,439)	\$ 1,018,285	\$ 4,314,039	\$ 10,578,706	
Actual Participation Rate		50,723	50,981	50,598	50,412
Average Shortfall per CRP Participant	\$ (16)	\$ 20	\$ 85	\$ 210	
Shortfall*	\$ -	\$ -	\$ -	\$ -	
Bad Debt Expense Offset**	5.75%	\$ -	\$ -	\$ -	

**Bad Debt Expense Offset Applicable When Actual CRP Participation Exceeds 80,000.

INTERRUPTIBLE REVENUE CREDIT
September 1, 2023

Fiscal Year 2022 Reconciliation (8/31/22)		\$	138,896
Margin Adjustment		\$	201,059
		\$	339,955

<u>MONTH</u>		<u>IRC</u> <u>CREDIT</u>		<u>MARGIN</u>	
September-22	Actual	\$ (7,918)		\$ 268	
October	Actual	\$ (14,750)		\$ 7,952	
November	Actual	\$ (25,165)		\$ 32,581	
December	Actual	\$ (53,887)		\$ 24,530	
January-23	Estimated	\$ (77,025)		\$ 27,657	
February	Estimated	\$ (75,243)		\$ 22,783	
March	Estimated	\$ (66,004)		\$ 25,225	
April	Estimated	\$ (48,807)		\$ 24,410	
May	Estimated	\$ (21,992)		\$ 25,223	
June	Estimated	\$ (13,107)		\$ 24,412	
July	Estimated	\$ (11,357)		\$ 25,226	
August	Estimated	\$ (10,802)		\$ 25,223	
Act/Est IRC Credit September 2022 to August 2023		<u>\$ (426,057)</u>			
Act/Est Margin September 2022 to August 2023				<u>\$ 265,489</u>	\$ 265,489
FY 2022 Reconciliation Plus Act/Est Margin September 2022 August 2023					<u>\$ 605,444</u>
FY 2022 Reconciliation Plus Act/Est Margin September 2022 August 2023				\$ 605,444	
Act/Est IRC Credit September 2022 to August 2023				<u>\$ (426,057)</u>	
Reconciliation as of August 31, 2023				\$ 179,387	
Margin - September 2023 through August 2024				<u>\$ 296,985</u>	Schedule 4(b)
September 1, 2023 Interruptible Revenue Credit				\$ 476,372	

GCR Firm Sales		40,639,813	Schedule 2
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September 1, 2023 IRC/Mcf		\$ 0.0117	
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INTERRUPTIBLE REVENUE MARGIN
1307F

<u>MONTH</u>		<u>MARGIN</u>
September-23	Estimated	\$ 24,343
October	Estimated	\$ 25,155
November	Estimated	\$ 24,344
December	Estimated	\$ 25,153
January-24	Estimated	\$ 25,153
February	Estimated	\$ 23,530
March	Estimated	\$ 25,155
April	Estimated	\$ 24,343
May	Estimated	\$ 25,153
June	Estimated	\$ 24,344
July	Estimated	\$ 25,156
August	Estimated	\$ 25,155
Total		\$ <u>296,985</u>

**INTERRUPTIBLE REVENUE CREDIT
FINALIZED RECONCILIATION FY 2022**

Fiscal Year 2021 Reconciliation (8/31/21)

\$126,169

<u>MONTH</u>		<u>IRC CREDIT</u>		<u>MARGIN</u>	
September-21	Actual	(\$3,865)	\$	23,451	
October	Actual	(\$5,658)	\$	15,490	
November	Actual	(\$16,009)	\$	26,405	
December	Actual	(\$37,810)	\$	33,788	
January-22	Actual	(\$58,156)	\$	28,817	
February	Actual	(\$60,699)	\$	14,406	
March	Actual	(\$43,855)	\$	36,574	
April	Actual	(\$31,257)	\$	20,785	
May	Actual	(\$16,490)	\$	14,820	
June	Actual	(\$9,625)	\$	18,018	
July	Actual	(\$8,017)	\$	29,413	
August	Actual	(\$7,195)	\$	49,396	
Actual IRC Credit September 2021 to August 2022		<u>\$ (298,636)</u>			
Actual Margin September 2021 to August 2022			\$	<u>311,363</u>	\$ 311,363
FY 2021 Reconciliation Plus Actual Margin September 2021 to August 2022					<u>\$ 437,532</u>
FY 2021 Reconciliation Plus Actual Margin September 2021 to August 2022					\$ 437,532
Actual IRC Credit September 2021 to August 2022					<u>\$ (298,636)</u>
Reconciliation as of August 31, 2022					\$ 138,896

**OTHER POST EMPLOYMENT BENEFIT (OPEB) SURCHARGE
FISCAL YEAR 2024**

FY 2022 Over/(Under) Recovery (\$1,695,233)

<u>Month</u>		<u>OPEB Volumes</u>	<u>OPEB Surcharge</u>	<u>Revenue Billed</u>
September 2022	Actual	994,685	\$0.3580	\$356,097
October	Actual	1,758,344	\$0.3789	\$666,237
November	Actual	2,949,750	\$0.3789	\$1,117,660
December	Actual	6,205,535	\$0.3789	\$2,351,277
January 2023	Estimated	8,877,269	\$0.3789	\$3,363,597
February	Estimated	8,684,110	\$0.3789	\$3,290,409
March	Estimated	6,817,447	\$0.3789	\$2,583,131
April	Estimated	4,542,393	\$0.3789	\$1,721,113
May	Estimated	2,069,448	\$0.3789	\$784,114
June	Estimated	1,259,919	\$0.3789	\$477,383
July	Estimated	1,096,073	\$0.3789	\$415,302
<u>August</u>	Estimated	<u>1,043,469</u>	\$0.3789	<u>\$395,370</u>
Total		46,298,443		\$17,521,691

FY 2023 Act/Est OPEB & FY 2022 Reconciliation \$15,826,458

FY 2023 Permitted Recovery \$16,000,000

Over/(Under) Recovery (\$173,542)

FY 2023 Under Recovery \$173,542

FY 2024 Permitted Recovery \$16,000,000

FY 2024 Recovery \$16,173,542

FY 2024 Volumes 47,776,169

FY 2024 OPEB Surcharge / Mcf \$0.3385

**OTHER POST EMPLOYMENT BENEFIT (OPEB) SURCHARGE
FISCAL YEAR 2022 RECONCILIATION**

FY 2021 Over/(Under) Recovery (\$1,085,287)

<u>Month</u>		<u>OPEB Volumes</u>	<u>OPEB Surcharge</u>	<u>Revenue Billed</u>
September 2021	Actual	1,086,465	\$ 0.3422	\$ 371,788
October	Actual	1,233,430	\$ 0.3371	\$ 415,789
November	Actual	3,358,330	\$ 0.3371	\$ 1,132,093
December	Actual	6,239,766	\$ 0.3371	\$ 2,103,425
January 2022	Actual	8,588,043	\$ 0.3371	\$ 2,895,029
February	Actual	8,883,898	\$ 0.3371	\$ 2,994,762
March	Actual	6,357,825	\$ 0.3371	\$ 2,143,223
April	Actual	4,344,491	\$ 0.3371	\$ 1,464,528
May *	Actual	2,311,098	\$ 0.3371	\$ 779,071
June	Actual	1,260,650	\$ 0.3371	\$ 424,965
July	Actual	1,032,346	\$ 0.3371	\$ 348,004
<u>August</u>	Actual	<u>941,489</u>	\$ 0.3371	<u>\$ 317,376</u>
Total		45,637,832		\$15,390,054

FY 2022 Act/Est OPEB & FY 2021 Reconciliation \$14,304,767

FY 2022 Permitted Recovery \$16,000,000

Over/(Under) Recovery \$ (1,695,233)

* May Volumes Revised

EFFICIENCY COST RECOVERY (ECR) SURCHARGE
September 1, 2023

<u>Program</u>	<u>Residential & PHA GS</u>	<u>Commercial & PHA</u>	<u>Industrial</u>	<u>Total</u>
Residential Heating Equipment Rebate (RHER)				
Program Expense	\$341,117	\$23,342	\$255	\$364,714
Labor Expense	\$61,768	\$4,227	\$46	\$66,041
Low Income Thermostate (LITSTAT)				
Program Expense	\$75,743	\$0	\$0	\$75,743
Labor Expense	\$13,715	\$0	\$0	\$13,715
Commercial & Industrial Equipment Rebate (CIER)				
Program Expense	\$2,525	\$151,863	\$1,496	\$155,885
Labor Expense	\$457	\$27,499	\$271	\$28,227
High-Efficiency Construction Incentive (HECI)				
Program Expense	\$92,860	\$0	\$0	\$92,860
Labor Expense	\$16,815	\$0	\$0	\$16,815
EnergySense Smart Thermostat (TSTAT)				
Program Expense	\$61,865	\$0	\$0	\$61,865
Labor Expense	<u>\$11,202</u>	<u>\$0</u>	<u>\$0</u>	<u>\$11,202</u>
Total Expense	\$678,067	\$206,930	\$2,069	\$887,065
Prior Period Reconciliation (8/31/23)	\$ (78,647)	\$ 83,357	\$ (2,032)	\$ 2,678
Total	\$599,420	\$290,286	\$37	\$889,743
Volumes - Mcf (GCR Firm & Firm Transportation)	34,953,933	10,805,652	823,450	

Efficiency Cost Recovery Surcharge / Mcf	\$0.0171	\$0.0269	\$0.0000
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**EFFICIENCY COST RECOVERY (ECR) SURCHARGE
STATEMENT OF RECONCILIATION
FISCAL YEAR 2023**

		<u>Actual Sep-22</u>	<u>Actual Oct-22</u>	<u>Actual Nov-22</u>	<u>Actual Dec-22</u>	<u>Estimate Jan-23</u>	<u>Estimate Feb-23</u>	<u>Estimate Mar-23</u>	<u>Estimate Apr-23</u>	<u>Estimate May-23</u>	<u>Estimate Jun-23</u>	<u>Estimate Jul-23</u>	<u>Estimate Aug-23</u>
RESIDENTIAL & PHA GS													
FY 2022 Over-Collection	\$ 299,342												
Volume Billed		596,333	1,117,339	1,959,652	4,429,596	6,739,617	6,579,766	5,134,339	3,443,562	1,475,143	801,574	685,425	651,381
ECR Surcharge		\$ 0.0119	\$ 0.0057	\$ 0.0057	\$ 0.0091	\$ 0.0125	\$ 0.0125	\$ 0.0121	\$ 0.0116	\$ 0.0116	\$ 0.0116	\$ 0.0116	\$ 0.0116
Revenue Billed		\$ 7,067	\$ 6,369	\$ 11,170	\$ 40,309	\$ 84,245	\$ 82,247	\$ 61,869	\$ 39,945	\$ 17,112	\$ 9,298	\$ 7,951	\$ 7,556
RHER Expense		\$ 961	\$ 684	\$ 54,204	\$ 6,134	\$ 26,444	\$ 26,444	\$ 26,444	\$ 26,444	\$ 26,444	\$ 26,444	\$ 26,444	\$ 26,444
RHER Labor		\$ 3,534	\$ 2,318	\$ 2,035	\$ 4,063	\$ 4,698	\$ 4,698	\$ 4,698	\$ 4,698	\$ 4,698	\$ 4,698	\$ 4,698	\$ 4,698
HECI Expense		\$ 99	\$ 297	\$ (200)	\$ 634	\$ 11,504	\$ 11,504	\$ 11,504	\$ 11,504	\$ 11,504	\$ 11,504	\$ 11,504	\$ 11,504
HECI Labor		\$ 365	\$ 1,005	\$ (702)	\$ 420	\$ 1,966	\$ 1,966	\$ 1,966	\$ 1,966	\$ 1,966	\$ 1,966	\$ 1,966	\$ 1,966
LITSTAT Expense		\$ 71	\$ 99	\$ 51,562	\$ 452	\$ 2,945	\$ 2,945	\$ 2,945	\$ 2,945	\$ 2,945	\$ 2,945	\$ 2,945	\$ 2,945
LITSTAT Labor		\$ 261	\$ 336	\$ 7,624	\$ 300	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649	\$ 649
CIER Expense		\$ 10	\$ 8	\$ (20)	\$ 62	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334	\$ 334
CIER Labor		\$ 36	\$ 26	\$ (69)	\$ 41	\$ 58	\$ 58	\$ 58	\$ 58	\$ 58	\$ 58	\$ 58	\$ 58
TSTAT Expense		\$ 23	\$ 280	\$ 15,435	\$ 150	\$ 5,466	\$ 5,466	\$ 5,466	\$ 5,466	\$ 5,466	\$ 5,466	\$ 5,466	\$ 5,466
TSTAT Labor		\$ 89	\$ 948	\$ 2,356	\$ 99	\$ 913	\$ 913	\$ 913	\$ 913	\$ 913	\$ 913	\$ 913	\$ 913
Total		\$ 5,450	\$ 6,000	\$ 132,225	\$ 12,355	\$ 54,975	\$ 54,975	\$ 54,975	\$ 54,975	\$ 54,975	\$ 54,975	\$ 54,975	\$ 54,975
Monthly Over/(Under)		\$ 1,617	\$ 369	\$ (121,055)	\$ 27,954	\$ 29,270	\$ 27,272	\$ 6,893	\$ (15,030)	\$ (37,864)	\$ (45,677)	\$ (47,024)	\$ (47,419)
Cumulative Over/(Under)		\$ 300,958	\$ 301,327	\$ 180,273	\$ 208,227	\$ 237,496	\$ 264,768	\$ 271,662	\$ 256,631	\$ 218,768	\$ 173,091	\$ 126,066	\$ 78,647
COMMERCIAL & PHA													
FY 2022 Under-Collection	\$ (131,379)												
Volume Billed		355,022	559,947	841,058	1,484,849	1,765,155	1,746,453	1,411,633	923,441	513,417	402,099	359,704	343,447
ECR Surcharge		\$ 0.0168	\$ 0.0153	\$ 0.0153	\$ 0.0282	\$ 0.0410	\$ 0.0410	\$ 0.0348	\$ 0.0285	\$ 0.0285	\$ 0.0285	\$ 0.0285	\$ 0.0285
Revenue Billed		\$ 5,964	\$ 8,567	\$ 12,868	\$ 41,799	\$ 72,371	\$ 71,605	\$ 49,054	\$ 26,318	\$ 14,632	\$ 11,460	\$ 10,252	\$ 9,788
RHER Expense		\$ 320	\$ 228	\$ (645)	2,045	11,154	11,154	11,154	11,154	11,154	11,154	11,154	11,154
RHER Labor		\$ 1,178	\$ 773	\$ (2,262)	1,354	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933
CIER Expense		\$ 541	\$ 421	\$ 10,194	\$ 3,458	\$ 17,114	\$ 17,114	\$ 17,114	\$ 17,114	\$ 17,114	\$ 17,114	\$ 17,114	\$ 17,114
CIER Labor		\$ 1,992	\$ 1,426	\$ (2,052)	\$ 2,290	\$ 2,973	\$ 2,973	\$ 2,973	\$ 2,973	\$ 2,973	\$ 2,973	\$ 2,973	\$ 2,973
TSTAT Expense		-	-	-	-	-	-	-	-	-	-	-	-
TSTAT Labor		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total		\$ 4,032	\$ 2,847	\$ 5,235	\$ 9,147	\$ 33,174	\$ 33,174	\$ 33,174	\$ 33,174	\$ 33,174	\$ 33,174	\$ 33,174	\$ 33,174
Monthly Over/(Under)		\$ 1,932	\$ 5,720	\$ 7,634	\$ 32,652	\$ 39,197	\$ 38,430	\$ 15,880	\$ (6,856)	\$ (18,542)	\$ (21,715)	\$ (22,923)	\$ (23,386)
Cumulative Over/(Under)		\$ (129,447)	\$ (123,727)	\$ (116,093)	\$ (83,441)	\$ (44,244)	\$ (5,814)	\$ 10,066	\$ 3,209	\$ (15,333)	\$ (37,048)	\$ (59,970)	\$ (83,357)
INDUSTRIAL													
FY 2022 Over-Collection	\$ 7,620												
Volume Billed		25,989	45,088	71,261	124,138	125,620	125,945	103,106	65,284	39,787	34,045	30,732	29,343
ECR Surcharge		\$ (0.0053)	\$ (0.0051)	\$ (0.0051)	\$ (0.0054)	\$ (0.0056)	\$ (0.0056)	\$ (0.0040)	\$ (0.0023)	\$ (0.0023)	\$ (0.0023)	\$ (0.0023)	\$ (0.0023)
Revenue Billed		\$ (138)	\$ (230)	\$ (363)	\$ (664)	\$ (703)	\$ (705)	\$ (407)	\$ (150)	\$ (92)	\$ (78)	\$ (71)	\$ (67)
RHER Expense		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RHER Labor		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CIER Expense		\$ 6	\$ 5	\$ (12)	\$ 37	\$ 199	\$ 199	\$ 199	\$ 199	\$ 199	\$ 199	\$ 199	\$ 199
CIER Labor		\$ 21	\$ 15	\$ (41)	\$ 25	\$ 34	\$ 34	\$ 34	\$ 34	\$ 34	\$ 34	\$ 34	\$ 34
Total		\$ 27	\$ 20	\$ (53)	\$ 62	\$ 233	\$ 233	\$ 233	\$ 233	\$ 233	\$ 233	\$ 233	\$ 233
Monthly Over/(Under)		\$ (165)	\$ (250)	\$ (311)	\$ (726)	\$ (936)	\$ (938)	\$ (640)	\$ (383)	\$ (324)	\$ (311)	\$ (303)	\$ (300)
Cumulative Over/(Under)		\$ 7,455	\$ 7,205	\$ 6,894	\$ 6,169	\$ 5,232	\$ 4,294	\$ 3,654	\$ 3,271	\$ 2,947	\$ 2,636	\$ 2,332	\$ 2,032

**PHILADELPHIA GAS WORKS
LOAD BALANCING CHARGE RECONCILIATION
CALENDAR YEAR 2022**

		<u>2022</u>
Actual Storage and Peaking Cost		\$ 22,280,668
WSS Volumes MDQ DTH	17,558	
Daily Demand Charge	0.45932	
 Total Storage and Peaking Cost *		 2,943,546.48
Prior Year Carryover		\$ <u>(72,830)</u>
		\$ 25,151,384
 Design Day Requirements	Annual Mcf	685,131
Fulfilled from FT Capacity	Annual Mcf	(297,287)
WSS Storage Withdrawal Volumes MCF *		<u>16,981</u>
Fulfilled from Storage and Peaking Assets	Annual Mcf	404,824
 Annual Load Balancing Cost per Excess Mcf	Annual \$ / Mcf	\$ 62.1292
BTU Conversion		1.034
	Annual \$ / Dth	\$ <u>60.0863</u>
Monthly Charge /Dth		\$ 5.0072
 Over/(Under) Recovery		\$ (56,691)
Interest		\$ <u>(5,280)</u>
Carryover		\$ (61,971)

LOAD BALANCING CHARGE

2022 EXPENSE

	<u>Jan-22</u>	<u>Feb-22</u>	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>	<u>Jun-22</u>	<u>Jul-22</u>	<u>Aug-22</u>	<u>Sep-22</u>	<u>Oct-22</u>	<u>Nov-22</u>	<u>Dec-22</u>	<u>Total</u>
Transco	\$ 448,951	\$ 431,551	\$ 440,857	\$ 509,750	\$ 528,229	\$ 522,552	\$ 538,508	\$ 537,426	\$ 524,000	\$ 521,781	\$ 514,072	\$ 539,205	\$ 6,056,882
Tetco	\$ 890,239	\$ 1,137,503	\$ 1,153,955	\$ 1,134,648	\$ 1,148,657	\$ 1,101,300	\$ 1,136,700	\$ 1,117,078	\$ 1,126,991	\$ 1,129,917	\$ 1,191,969	\$ 1,143,871	\$ 13,412,828
Eastern	\$ 140,168	\$ 133,434	\$ 133,688	\$ 243,846	\$ 249,809	\$ 247,393	\$ 249,495	\$ 249,495	\$ 245,902	\$ 243,183	\$ 258,042	\$ 258,330	\$ 2,652,784
WSS /Transportation	\$ 3,159	\$ 984	\$ 301	\$ 490	\$ 226	\$ 12	\$ -	\$ -	\$ -	\$ -	\$ 543	\$ 2,153	\$ 7,868
Purchased Electric	\$ 19,932	\$ 20,223	\$ 14,578	\$ 12,351	\$ 10,344	\$ 10,541	\$ 10,541	\$ 13,808	\$ 11,210	\$ 11,176	\$ 26,897	\$ (11,295)	\$ 150,306
Total	\$ 1,502,449	\$ 1,723,695	\$ 1,743,379	\$ 1,901,086	\$ 1,937,265	\$ 1,881,798	\$ 1,935,244	\$ 1,917,806	\$ 1,908,103	\$ 1,906,056	\$ 1,991,523	\$ 1,932,264	\$ 22,280,668

2022 INTEREST CALCULATION

<u>MONTH *</u>	<u>LOAD BALANCING VOLUME (1) (DTH)</u>	<u>RATE* (2) (\$)</u>	<u>LOAD BALANCING CHARGE (3)=(1)*(2) (\$)</u>	<u>CHARGES BILLED (4) (\$)</u>	<u>OVER/(UNDER) RECOVERY (5)=(4)-(3) (\$)</u>	<u>TIME FACTOR (6)</u>	<u>INTEREST RATE (7)</u>	<u>INTEREST EXPENSE (8)=(5)*(6)*(7) (\$)</u>
Jan-22	46,537	5.0072	233,020	\$ 208,528	(24,492)	18/12	4.25%	(1,561)
Feb-22	46,581	5.0072	233,240	\$ 208,725	(24,516)	17/12	4.25%	(1,476)
Mar-22	46,842	5.0072	234,547	\$ 221,239	(13,308)	16/12	4.50%	(798)
Apr-22	46,330	5.0072	231,984	\$ 218,826	(13,158)	15/12	4.75%	(781)
May-22	41,639	5.0072	208,495	\$ 196,649	(11,845)	14/12	4.75%	(656)
Jun-22	42,933	5.0072	214,974	\$ 212,239	(2,735)	13/12	5.25%	(156)
Jul-22	43,197	5.0072	216,296	\$ 213,544	(2,752)	12/12	5.50%	(151)
Aug-22	44,471	5.0072	222,675	\$ 147,057	(75,618)	11/12	5.75%	(3,986)
Sep-22	49,307	5.0072	246,890	\$ 72,928	(173,962)	10/12	5.50%	(7,973)
Oct-22	51,968	5.0072	260,214	\$ 527,633	267,418	9/12	5.75%	11,532
Nov-22	44,587	5.0072	223,256	\$ 232,289	9,033	8/12	6.25%	376
Dec-22	46,156	5.0072	231,112	\$ 240,357	9,245	7/12	6.50%	351
Total	550,548		2,756,704	2,700,013	(56,691)			(5,280)

**PHILADELPHIA GAS WORKS
LOAD BALANCING CHARGE
SEPTEMBER 1, 2023**

Storage and Peaking Cost	<u>Units</u>		
	\$	\$	22,477,868
WSS Volumes MDQ DTH		17,557.5	2,951,611
Daily Demand Charge		\$0.45932	
Total Storage and Peaking Cost			25,429,479
Design Day Requirements	Annual mcf		685,131
Fulfilled from FT Capacity (Mcf)			(297,287)
WSS Storage Withdrawal Volumes MCF			<u>16,981</u>
Fulfilled from Storage and Peaking Assets	Annual mcf		404,824
Annual Storage and Peaking Cost per Excess	Annual \$ / mcf	\$	62.8161
Per Mcf Over / (Under) Adjustment		\$	<u>(0.1129)</u>
Load Balancing Charge		\$	62.9290

Over / (Under) Recovery	\$	(56,691)
Interest	\$	<u>(5,280)</u>
Total Over/(Under) Recovery	\$	(61,971)
Forecasted SSPC Volumes		549,059
Per Mcf Over / (Under) Adjustment	\$	(0.1129)

Natural Gas Prices March 1, 2023 1307f GCR Filing

Basis Differentials

Prices Used For Gas Cost Inputs

	NYMEX	TRANSCO				TETCO																		
	Futures	Sta 45	Sta 65	Sta 85	Zone 6 Non-NY	ELA	WLA	ETX	STX	Average ELA/ETX	M-1	M-2	TRANSCO				TETCO							
	01/18/23 Close												Sta 45	Sta 65	Sta 85	Zone 6 Non-NY	ELA	WLA	ETX	STX	Average ELA/ETX	M-1	M-2	Sta 45
Jan-23	4.709												4.76	5.36	5.39	5.02	4.36	4.36	4.39	4.16	4.38	4.76	3.79	
Feb-23	3.586	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.55	3.54	3.55	3.62	3.46	3.51	3.45	3.50	3.46	3.46	2.89	
Mar-23	3.253	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.21	3.21	3.22	3.28	3.13	3.17	3.12	3.17	3.12	3.12	2.56	
Apr-23	3.218	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.18	3.17	3.18	3.25	3.09	3.14	3.08	3.14	3.09	3.09	2.53	
May-23	3.283	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.24	3.24	3.25	3.31	3.16	3.20	3.15	3.20	3.15	3.15	2.59	
Jun-23	3.421	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.38	3.37	3.39	3.45	3.30	3.34	3.29	3.34	3.29	3.29	2.73	
Jul-23	3.551	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.51	3.50	3.52	3.58	3.43	3.47	3.42	3.47	3.42	3.42	2.86	
Aug-23	3.584	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.55	3.54	3.55	3.61	3.46	3.50	3.45	3.50	3.45	3.46	2.89	
Sep-23	3.528	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.49	3.48	3.49	3.56	3.40	3.45	3.39	3.45	3.40	3.40	2.84	
Oct-23	3.597	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.56	3.55	3.56	3.63	3.47	3.52	3.46	3.51	3.47	3.47	2.90	
Nov-23	3.995	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.96	3.95	3.96	4.03	3.87	3.92	3.86	3.91	3.86	3.87	3.30	
Dec-23	4.423	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	4.38	4.38	4.39	4.45	4.30	4.34	4.29	4.34	4.29	4.29	3.73	
Jan-24	4.670	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	4.63	4.62	4.64	4.70	4.55	4.59	4.53	4.59	4.54	4.54	3.98	
Feb-24	4.516	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	4.48	4.47	4.48	4.55	4.39	4.44	4.38	4.43	4.39	4.39	3.82	
Mar-24	4.053	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	4.01	4.01	4.02	4.08	3.93	3.97	3.92	3.97	3.92	3.92	3.36	
Apr-24	3.616	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.58	3.57	3.58	3.65	3.49	3.54	3.48	3.53	3.49	3.49	2.92	
May-24	3.583	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.54	3.54	3.55	3.61	3.46	3.50	3.45	3.50	3.45	3.45	2.89	
Jun-24	3.694	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.66	3.65	3.66	3.72	3.57	3.61	3.56	3.61	3.56	3.57	3.00	
Jul-24	3.793	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.75	3.75	3.76	3.82	3.67	3.71	3.66	3.71	3.66	3.66	3.10	
Aug-24	3.825	(0.04)	(0.05)	(0.03)	0.03	(0.13)	(0.08)	(0.14)	(0.08)	(0.13)	(0.13)	(0.69)	3.79	3.78	3.79	3.86	3.70	3.75	3.69	3.74	3.69	3.70	3.13	

Philadelphia Gas Works Calculation of UFG and Retainage Percentages Twelve Months Ending August 31,2022		
	<u>UFG</u>	<u>RETAINAGE</u>
	Total Distribution System (MCF)	Firm Sales Sales Only (MCF)
A. Gas Received For Delivery To Customers		
From Interstate Pipelines directly into the Distribution System	73,065,491	73,065,491
Less gas delivered for Interruptible Customers sendout		26,769,654
From Interstate Pipelines directly into the Distribution System for Firm Customers Only		46,295,837
B. Gas Delivered		
To Customers	71,207,452	
To Customers - Delivered to Firm Customers Only		44,716,968
C. Adjustment		
Adjustment for PUC UFG Report and Retainage		
- Company use	300,196	300,196
- Unbilled Sales		50,812
Adjustment for PUC UFG Report Only		
- Maintenance and Construction	454	
- Gate station bleeds	7,743	
- Correction for 6" w.c.	532,372	
- Third party damage	-	-
Total Adjustments	840,766	351,008
D. Distribution UFG and Retainage Rate		
Total Distribution System Unaccounted for Gas	1,017,273	
Unaccounted For and Accounted For Volumes Applicable to Retainage % Calculation		1,227,861
E. Percent UFG and Retainage		
UFG Percentage	1.4%	
Retainage Percentage		2.7%

Tab #3

Philadelphia Gas Works

Pennsylvania Public Utility Commission
52 Pa. Code § 53.61, et seq.

Item 53.64(c)

Thirty days prior to the filing of a tariff reflecting an increase or decrease in natural gas costs, each Section 1307(f) gas utility seeking recovery of purchased gas costs under that section shall provide notice to the public, under § 53.68(relating to notice requirements), and shall file the following supporting information with the Commission, with a copy to the Consumer Advocate, Small Business Advocate and to intervenors upon request:

- (1) A complete list in schedule format of each spot and each long term source of gas supply, production, transportation and storage, used in the past 12 months, which 12-month period shall end 2 months prior to the date of the tariff filing, separately setting forth on a monthly basis the quantity and price of gas delivered, produced, transported or stored, maximum daily quantity levels, maximum annual quantity levels, a detailed description of warrantee or penalty provisions, including liquidated damages, take or pay provisions or minimum bill or take provisions of the purchases, balancing provisions and copies of Federal tariffs and contract provisions relating to the purchases—including demand and commodity components. With regard to each contemplated future source of supply, production, transportation or storage, during each of the next 20 months for each source, provide the name of the source, the maximum daily quantity, the maximum annual quantity, the minimum take levels, a detailed description of warrantee or penalty provisions, including liquidated damages, take or pay provisions or minimum bill or take provisions of the purchases, balancing provisions and contractual or tariffed terms of the purchases, copies of applicable Federal tariffs, the expiration date of each contract, the date when each contract was most recently negotiated and the details of the negotiation—such as meeting held, offers made, and changes in contractual obligation—and whether current proceedings, negotiations or renegotiations are pending before the Federal Energy Regulatory Commission, and the like, to modify the price, quantity or another condition of purchase, and if so, the details of the proceedings, negotiations or renegotiations. Gas supply sources which individually represent

less than 3% of the total system supply may be shown collectively, such as other local gas purchases.

Response:

The attached schedules described below contain details of the requested information. Information concerning PGW's Transportation and Storage contracts are addressed in section 53.64(c) in the February 1, 2023 Prefiling.

Schedule 1 – Twelve (12) month purchased gas costs expressed in terms of volumes and dollars for the period January 1, 2022 to December 31, 2022. This schedule reflects finalized numbers through the month of December.

Schedule 2 – Actual capacity release credits by pipeline by month for the period January 1, 2022 through December 31, 2022 was provided in the February 1, 2023 Prefiling.

Schedule 3 – Twenty (20) month forecasted summary of total fuel purchased for the period January 1, 2022 through August 31, 2023.

Schedule 4 – Twenty (20) month forecast of capacity release credits by pipeline by month for the period January 1, 2022 through August 31, 2023.

Schedule 5 - Detailed description of warrantee or penalty provisions, including liquidated damages, take or pay provisions or minimum bill or take provisions of the purchases, balancing provisions and copies of Federal tariffs and contract provisions relating to the purchases—including demand and commodity components was provided in the February 1, 2023 Prefiling.

**Philadelphia Gas Works
Summary Of Total Purchased**

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	June-22	July-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Williams	\$ 2,453,780	\$ 2,216,013	\$ 2,346,485	\$ 2,766,184	\$ 2,859,372	\$ 1,852,972	\$ 1,897,936	\$ 2,329,253	\$ 2,552,589	\$ 2,856,260	\$ 1,304,930	\$ 1,428,829
Texas Eastern	\$ 2,204,686	\$ 4,162,651	\$ 4,018,623	\$ 4,615,747	\$ 4,192,828	\$ 4,247,992	\$ 4,330,161	\$ 4,176,341	\$ 4,126,970	\$ 4,740,460	\$ 3,061,208	\$ 2,991,939
Eastern Gas	\$ 140,168	\$ 133,434	\$ 133,688	\$ 243,846	\$ 249,809	\$ 247,393	\$ 249,495	\$ 249,495	\$ 245,902	\$ 243,183	\$ 258,042	\$ 258,330
Spot Purchases -Transco	\$ 3,484	\$ 217,841	\$ 74,632	\$ 51,655	\$ 157,684	\$ 126,703	\$ 3,818	\$ 57,514	\$ 398,999	\$ 6,850	\$ 76,706	\$ 399,467
Spot Purchases -Transco												
Spot Purchases -Tetco												
Transco Supply2												
Transco Supply3												
Transco Supply6	\$ 1,838,455	\$ 2,586,220	\$ 2,063,205									
Transco Supply7			\$ 785,585	\$ 1,118,325	\$ 1,343,250	\$ 1,107,475	\$ 5,207,225	\$ 3,599,250	\$ 2,584,005	\$ 791,701	\$ 1,104,507	
Transco Supply8												
Transco Supply10												
Transco Supply12												
Transco Supply14												
Transco Supply17												
Transco Supply20												
Transco Supply21												
Transco Supply22												
Transco Supply23												
Transco Supply24												
Transco Supply25												
Transco Supply26												
Transco Supply27												
Transco Supply28												
Transco Supply29												
Transco Supply30	\$ 2,681,000	\$ 2,246,242	\$ 906,900	\$ 1,727,900	\$ 388,200	\$ 6,000	\$ 6,200	\$ 6,200	\$ 6,000	\$ 284,400		
Transco Supply31												
Transco Supply32	\$ 3,362,875	\$ 2,987,375	\$ 1,335,500	\$ 3,780,775	\$ 5,002,945	\$ 2,165,250	\$ 2,070,025	\$ 2,070,025	\$ 1,666,000	\$ 2,690,125	\$ 2,726,225	\$ 6,429,889
Transco Supply33												
Transco Supply34	\$ 1,257,283	\$ 1,772,610	\$ 1,405,895									
Transco Supply35												
Transco Supply36												
Transco Supply37	\$ 3,007,698	\$ 4,312,630	\$ 3,395,198	\$ 1,887,229	\$ 2,908,938	\$ 3,487,009	\$ 3,088,019	\$ 3,042,851	\$ 2,559,137	\$ 2,644,441	\$ 4,583,100	\$ 6,445,985
Transco Supply40	\$ 2,007,112	\$ 2,903,710	\$ 2,255,540	\$ 624,300	\$ 959,760	\$ 1,149,300	\$ 848,160	\$ 1,231,010	\$ 1,159,800	\$ 642,010	\$ 2,578,003	\$ 3,636,219
Transco Supply41											\$ 111,075	\$ 828,425
Transco Supply42											\$ 439,275	\$ 2,448,250
Tetco Supply1												
Tetco Supply2												
Tetco Supply3												
Tetco Supply4												
Tetco Supply5												
Tetco Supply7												
Tetco Supply13			\$ 1,972,125	\$ 2,930,663	\$ 3,529,125	\$ 3,566,550	\$ 3,343,350	\$ 3,003,750	\$ 2,552,850			
Tetco Supply14												
Tetco Supply16	\$ 1,226,438	\$ 2,003,750	\$ 1,466,688	\$ 395,100	\$ 586,830	\$ 706,500	\$ 560,790	\$ 560,790	\$ 542,700	\$ 560,790		
Tetco Supply17												
Tetco Supply18												
Tetco Supply19												
Tetco Supply20												
Tetco Supply21												
Tetco Supply22												
Tetco Supply23												
Tetco Supply24	\$ 499,100	\$ 809,200	\$ 595,200	\$ 1,059,150	\$ 1,570,615	\$ 1,889,550	\$ 1,501,640	\$ 1,501,640	\$ 1,453,200	\$ 1,501,640	\$ 3,893,550	\$ 7,244,219
Tetco Supply25												
Tetco Supply26	\$ 2,942,550	\$ 2,600,000	\$ 850,200	\$ 227,184	\$ 704,700	\$ 135,990	\$ 3,271,710	\$ 2,331,465	\$ 1,148,780	\$ 2,202,175		
Tetco Supply27												
Tetco Supply28											\$ 1,042,695	\$ 2,266,999
Tetco Supply29												
Tetco Supply30												
Tetco Supply31												
Tetco Supply32												
Tetco Supply33	\$ 1,501,541	\$ 2,580,955	\$ 1,793,435	\$ 597,000	\$ 914,500	\$ 1,116,000	\$ 798,250	\$ 1,128,400	\$ 1,104,750	\$ 1,141,575	\$ 1,724,772	\$ 2,947,530
Tetco Supply34	\$ 266,213	\$ 455,490	\$ 323,873	\$ 368,100	\$ 558,930	\$ 679,500	\$ 684,015	\$ 640,770	\$ 499,500	\$ 516,150	\$ 336,150	\$ 520,800
Tetco Supply35	\$ 1,734,807	\$ 1,798,655	\$ 1,061,891	\$ 129,900	\$ 293,825	\$ 2,250	\$ 255,475	\$ 2,325	\$ 29,400	\$ 346,300		
Tetco Supply36												
Tetco Supply37	\$ 1,226,438	\$ 2,003,750	\$ 1,466,688									
Tetco Supply38											\$ 695,850	\$ 2,195,288
TOTAL COSTS	\$ 28,353,626	\$ 35,790,528	\$ 25,493,638	\$ 21,231,780	\$ 25,397,924	\$ 22,684,785	\$ 24,239,718	\$ 27,878,654	\$ 24,096,727	\$ 25,513,213	\$ 23,623,282	\$ 41,146,674
Storage Injection	\$ 17,210	\$ 16,286	\$ 16,452	\$ 9,708	\$ 90,693	\$ 52,457	\$ 90,737	\$ 72,081	\$ 77,223	\$ 57,225	\$ 87,801	\$ 9,060
Storage Withdrawal	\$ 174,325	\$ 95,894	\$ 98,837	\$ 56,350	\$ 3,858	\$ 2,158	\$ -	\$ -	\$ -	\$ 5,544	\$ 51,279	\$ 96,160

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

	1/1/2023: Jan	2/1/2023: Feb	3/1/2023: Mar	4/1/2023: Apr	5/1/2023: May	6/1/2023: Jun	7/1/2023: Jul	8/1/2023: Aug	9/1/2023: Sep	10/1/2023: Oct
Williams	\$ 1,916,320	\$ 2,007,765	\$ 1,785,804	\$ 2,270,482	\$ 2,251,177	\$ 2,253,847	\$ 2,233,748	\$ 2,233,362	\$ 2,024,422	\$ 2,025,251
Texas Eastern	\$ 2,790,834	\$ 3,002,428	\$ 2,747,798	\$ 4,033,937	\$ 4,038,671	\$ 3,996,773	\$ 3,932,821	\$ 3,931,781	\$ 3,643,996	\$ 3,670,626
Dominion	\$ 211,218	\$ 207,780	\$ 206,490	\$ 215,210	\$ 219,028	\$ 215,001	\$ 209,487	\$ 209,487	\$ 208,932	\$ 209,487
Spot Purchases - Transco	\$ -	\$ 611,006	\$ 141,593	\$ 791,037	\$ 764,988	\$ 309,314	\$ 331,941	\$ 335,068	\$ 319,125	\$ 924,634
Spot Purchases - Tecto	\$ 2,195,511	\$ 2,254,306	\$ 2,026,821	\$ 4,233,170	\$ 4,134,020	\$ 2,510,001	\$ 1,844,874	\$ 1,959,742	\$ 1,679,430	\$ 3,560,313
Transco Supply 7	\$ 833,900	\$ 498,190	\$ 499,953	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 32	\$ 4,337,903	\$ 1,709,974	\$ 1,264,028	\$ 1,357,522	\$ 516,301	\$ 45,000	\$ 46,500	\$ 46,500	\$ 45,000	\$ 1,274,281
Transco Supply 33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 34	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 37	\$ 5,100,972	\$ 2,809,593	\$ 2,806,092	\$ 1,353,302	\$ 1,429,113	\$ 1,446,090	\$ 1,555,694	\$ 1,571,280	\$ 1,494,997	\$ 1,577,420
Transco Supply 38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 40	\$ 2,695,719	\$ 1,553,269	\$ 1,543,302	\$ 442,020	\$ 466,829	\$ 472,470	\$ 508,369	\$ 513,484	\$ 488,520	\$ 515,499
Transco Supply 41	\$ 17,825	\$ 122,684	\$ 17,825	\$ 17,250	\$ 17,825	\$ 17,250	\$ 17,825	\$ 17,825	\$ 17,250	\$ 134,699
Transco Supply 42	\$ 346,997	\$ 398,083	\$ 65,100	\$ 63,000	\$ 65,100	\$ 63,000	\$ 65,100	\$ 65,100	\$ 63,000	\$ 497,939
Tetco Supply 24	\$ 3,161,914	\$ 2,145,020	\$ 2,189,441	\$ 557,538	\$ 1,099,006	\$ 1,283,248	\$ 1,320,880	\$ 1,278,240	\$ 1,366,800	\$ 1,205,156
Tetco Supply 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 28	\$ 1,455,915	\$ 841,714	\$ 537,694	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 33	\$ 2,057,784	\$ 1,223,712	\$ 1,178,445	\$ 315,750	\$ 336,350	\$ 346,200	\$ 377,890	\$ 383,005	\$ 362,250	\$ 385,020
Tetco Supply 34	\$ 465,000	\$ 217,812	\$ 210,180	\$ 200,250	\$ 212,970	\$ 218,520	\$ 237,894	\$ 240,963	\$ 228,150	\$ 242,172
Tetco Supply 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 38	\$ 1,414,003	\$ 1,224,510	\$ 1,034,829	\$ 199,500	\$ 709,763	\$ 951,285	\$ 996,472	\$ 964,492	\$ 1,030,725	\$ 971,279
FT PAYBACK ADJUSTMENT	\$ -	\$ -	\$ -	\$ -	\$ 785,910	\$ 785,910	\$ 785,910	\$ 785,910	\$ -	\$ -
Total Costs	\$ 29,001,814	\$ 20,827,846	\$ 18,255,394	\$ 16,049,968	\$ 15,475,230	\$ 13,342,089	\$ 12,893,585	\$ 12,964,418	\$ 12,972,597	\$ 17,193,775

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

	11/1/2023: Nov	12/1/2023: Dec	1/1/2024: Jan	2/1/2024: Feb	3/1/2024: Mar	4/1/2024: Apr	5/1/2024: May	6/1/2024: Jun	7/1/2024: Jul	8/1/2024: Aug
Williams	\$ 2,707,125	\$ 2,837,746	\$ 2,892,535	\$ 2,870,309	\$ 2,700,887	\$ 2,057,271	\$ 2,037,096	\$ 2,035,240	\$ 2,009,375	\$ 2,007,426
Texas Eastern	\$ 4,105,607	\$ 4,539,376	\$ 4,592,659	\$ 4,542,084	\$ 4,548,345	\$ 3,714,775	\$ 3,712,441	\$ 3,727,355	\$ 3,692,177	\$ 3,681,373
Dominion	\$ 202,511	\$ 213,066	\$ 219,954	\$ 216,841	\$ 205,646	\$ 205,586	\$ 219,028	\$ 218,166	\$ 216,562	\$ 214,781
Spot Purchases - Transco	\$ 692,797	\$ 543,312	\$ 801,014	\$ 678,517	\$ 242,099	\$ 1,378,554	\$ 1,730,996	\$ 1,092,043	\$ 1,159,080	\$ 1,168,983
Spot Purchases - Tecto	\$ 4,055,493	\$ 6,521,456	\$ 6,940,456	\$ 5,750,688	\$ 5,789,407	\$ 4,428,654	\$ 4,020,858	\$ 3,297,323	\$ 3,924,918	\$ 4,197,468
Transco Supply 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 32	\$ 1,302,412	\$ 873,954	\$ 1,116,310	\$ 847,627	\$ 355,678	\$ 1,975,353	\$ 1,447,563	\$ 45,000	\$ 46,500	\$ 46,500
Transco Supply 33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 34	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 37	\$ 2,159,703	\$ 2,490,419	\$ 2,639,731	\$ 2,382,338	\$ 2,266,754	\$ 1,535,220	\$ 1,570,808	\$ 1,570,872	\$ 1,669,994	\$ 1,685,108
Transco Supply 38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transco Supply 40	\$ 1,873,875	\$ 2,163,047	\$ 2,293,882	\$ 2,069,580	\$ 1,967,060	\$ 501,720	\$ 513,329	\$ 513,420	\$ 545,879	\$ 550,839
Transco Supply 41	\$ 155,913	\$ 105,621	\$ 180,113	\$ 151,159	\$ 58,023	\$ 201,607	\$ 71,072	\$ 17,250	\$ 17,825	\$ 17,825
Transco Supply 42	\$ 556,484	\$ 328,488	\$ 614,431	\$ 476,153	\$ 185,694	\$ 655,267	\$ 268,227	\$ 63,000	\$ 65,100	\$ 65,100
Tetco Supply 24	\$ 1,174,472	\$ 1,949,701	\$ 2,153,780	\$ 999,780	\$ 1,619,000	\$ 759,446	\$ 1,524,550	\$ 1,744,510	\$ 1,564,975	\$ 1,214,949
Tetco Supply 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 33	\$ 1,520,765	\$ 1,798,154	\$ 1,928,982	\$ 1,728,225	\$ 1,602,178	\$ 375,450	\$ 382,850	\$ 387,150	\$ 415,400	\$ 420,360
Tetco Supply 34	\$ 270,180	\$ 318,990	\$ 341,961	\$ 306,501	\$ 284,580	\$ 236,070	\$ 240,870	\$ 243,090	\$ 260,400	\$ 263,376
Tetco Supply 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tetco Supply 38	\$ 396,389	\$ 145,867	\$ 387,662	\$ 191,076	\$ 314,481	\$ 566,647	\$ 1,094,213	\$ 1,270,545	\$ 1,033,463	\$ 908,936
FT PAYBACK ADJUSTMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,061,568	\$ 1,061,568	\$ 1,061,568	\$ 1,061,568
Total Costs	\$ 21,173,725	\$ 24,829,197	\$ 27,103,470	\$ 23,210,881	\$ 22,139,832	\$ 18,591,620	\$ 17,772,332	\$ 15,163,395	\$ 15,560,080	\$ 15,381,457

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Volumes (Dth)

	1/1/2023: Jan	2/1/2023: Feb	3/1/2023: Mar	4/1/2023: Apr	5/1/2023: May	6/1/2023: Jun	7/1/2023: Jul	8/1/2023: Aug	9/1/2023: Sep	10/1/2023: Oct
Spot Purchases - Transco	-	172,674	44,172	249,499	236,436	91,689	94,746	94,746	91,689	260,497
Spot Purchases - Tetco	579,290	779,228	791,727	1,676,503	1,596,147	920,088	645,512	677,877	592,391	1,226,003
Transco Supply 7	155,000	140,000	155,000	-	-	-	-	-	-	-
Transco Supply 32	786,134	455,000	360,000	405,249	142,200	-	-	-	-	339,372
Transco Supply 33	-	-	-	-	-	-	-	-	-	-
Transco Supply 34	-	-	-	-	-	-	-	-	-	-
Transco Supply 35	-	-	-	-	-	-	-	-	-	-
Transco Supply 36	-	-	-	-	-	-	-	-	-	-
Transco Supply 37	914,500	826,000	914,500	457,080	472,316	457,080	472,316	472,316	457,080	472,316
Transco Supply 38	-	-	-	-	-	-	-	-	-	-
Transco Supply 39	-	-	-	-	-	-	-	-	-	-
Transco Supply 40	529,697	478,436	529,697	150,000	155,000	150,000	155,000	155,000	150,000	155,000
Transco Supply 41	-	30,000	-	-	-	-	-	-	-	32,795
Transco Supply 42	52,300	95,497	-	-	-	-	-	-	-	121,454
Tetco Supply 24	833,051	740,000	853,434	218,431	421,933	468,200	460,000	440,000	480,000	412,864
Tetco Supply 25	-	-	-	-	-	-	-	-	-	-
Tetco Supply 26	-	-	-	-	-	-	-	-	-	-
Tetco Supply 27	-	-	-	-	-	-	-	-	-	-
Tetco Supply 28	384,400	291,200	210,242	-	-	-	-	-	-	-
Tetco Supply 29	-	-	-	-	-	-	-	-	-	-
Tetco Supply 30	-	-	-	-	-	-	-	-	-	-
Tetco Supply 31	-	-	-	-	-	-	-	-	-	-
Tetco Supply 32	-	-	-	-	-	-	-	-	-	-
Tetco Supply 33	529,666	478,408	529,666	150,000	155,000	150,000	155,000	155,000	150,000	155,000
Tetco Supply 34	93,000	84,000	93,000	90,000	93,000	90,000	93,000	93,000	90,000	93,000
Tetco Supply 35	-	-	-	-	-	-	-	-	-	-
Tetco Supply 36	-	-	-	-	-	-	-	-	-	-
Tetco Supply 37	-	-	-	-	-	-	-	-	-	-
Tetco Supply 38	370,327	420,000	400,143	75,000	270,000	345,000	345,000	330,000	360,000	330,860
Total Volumes	5,227,366	4,990,443	4,881,581	3,471,762	3,542,031	2,672,057	2,420,574	2,417,938	2,371,161	3,599,161

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Volumes (Dth)

	11/1/2023: Nov	12/1/2023: Dec	1/1/2024: Jan	2/1/2024: Feb	3/1/2024: Mar	4/1/2024: Apr	5/1/2024: May	6/1/2024: Jun	7/1/2024: Jul	8/1/2024: Aug
Spot Purchases - Transco	175,503	124,171	173,286	151,845	60,442	386,312	489,604	299,477	309,459	309,459
Spot Purchases - Tetco	1,228,193	1,748,380	1,745,148	1,504,234	1,723,038	1,515,106	1,391,301	1,098,741	1,266,103	1,340,188
Transco Supply 7	-	-	-	-	-	-	-	-	-	-
Transco Supply 32	314,391	185,386	227,870	176,540	73,240	530,783	388,774	-	-	-
Transco Supply 33	-	-	-	-	-	-	-	-	-	-
Transco Supply 34	-	-	-	-	-	-	-	-	-	-
Transco Supply 35	-	-	-	-	-	-	-	-	-	-
Transco Supply 36	-	-	-	-	-	-	-	-	-	-
Transco Supply 37	585,000	604,500	604,500	565,500	604,500	457,080	472,316	457,080	472,316	472,316
Transco Supply 38	-	-	-	-	-	-	-	-	-	-
Transco Supply 39	-	-	-	-	-	-	-	-	-	-
Transco Supply 40	512,610	529,697	529,697	495,523	529,697	150,000	155,000	150,000	155,000	155,000
Transco Supply 41	35,000	20,000	35,000	30,000	10,000	51,456	15,000	-	-	-
Transco Supply 42	124,561	60,000	118,472	92,633	30,000	165,308	57,222	-	-	-
Tetco Supply 24	353,868	521,046	540,000	260,000	480,000	257,765	525,381	579,310	502,831	385,935
Tetco Supply 25	-	-	-	-	-	-	-	-	-	-
Tetco Supply 26	-	-	-	-	-	-	-	-	-	-
Tetco Supply 27	-	-	-	-	-	-	-	-	-	-
Tetco Supply 28	-	-	-	-	-	-	-	-	-	-
Tetco Supply 29	-	-	-	-	-	-	-	-	-	-
Tetco Supply 30	-	-	-	-	-	-	-	-	-	-
Tetco Supply 31	-	-	-	-	-	-	-	-	-	-
Tetco Supply 32	-	-	-	-	-	-	-	-	-	-
Tetco Supply 33	512,580	529,666	529,666	495,494	529,666	150,000	155,000	150,000	155,000	155,000
Tetco Supply 34	90,000	93,000	93,000	87,000	93,000	90,000	93,000	90,000	93,000	93,000
Tetco Supply 35	-	-	-	-	-	-	-	-	-	-
Tetco Supply 36	-	-	-	-	-	-	-	-	-	-
Tetco Supply 37	-	-	-	-	-	-	-	-	-	-
Tetco Supply 38	116,979	36,302	94,845	47,421	90,482	190,394	375,000	420,000	330,000	286,869
Total Volumes	4,048,684	4,452,147	4,691,485	3,906,189	4,224,064	3,944,204	4,117,597	3,244,608	3,283,709	3,197,768

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Cost of Natural Gas

<u>Suppliers</u>	1/1/2023: Jan	2/1/2023: Feb	3/1/2023: Mar	4/1/2023: Apr	5/1/2023: May	6/1/2023: Jun	7/1/2023: Jul	8/1/2023: Aug	9/1/2023: Sep	10/1/2023: Oct
TR Spot	\$ -	\$ 611,006	\$ 141,593	\$ 791,037	\$ 764,988	\$ 309,314	\$ 331,941	\$ 335,068	\$ 319,125	\$ 924,634
Supplier 7	\$ 833,900	\$ 498,190	\$ 499,953	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 32	\$ 4,337,903	\$ 1,709,974	\$ 1,264,028	\$ 1,357,522	\$ 516,301	\$ 45,000	\$ 46,500	\$ 46,500	\$ 45,000	\$ 1,274,281
Supplier 33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 34	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 37	\$ 5,100,972	\$ 2,809,593	\$ 2,806,092	\$ 1,353,302	\$ 1,429,113	\$ 1,446,090	\$ 1,555,694	\$ 1,571,280	\$ 1,494,997	\$ 1,577,420
Supplier 38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 40	\$ 2,695,719	\$ 1,553,269	\$ 1,543,302	\$ 442,020	\$ 466,829	\$ 472,470	\$ 508,369	\$ 513,484	\$ 488,520	\$ 515,499
Supplier 41	\$ 17,825	\$ 122,684	\$ 17,825	\$ 17,250	\$ 17,825	\$ 17,250	\$ 17,825	\$ 17,825	\$ 17,250	\$ 134,699
Supplier 42	\$ 346,997	\$ 398,083	\$ 65,100	\$ 63,000	\$ 65,100	\$ 63,000	\$ 65,100	\$ 65,100	\$ 63,000	\$ 497,939
Total Suppliers	\$ 13,333,316	\$ 7,702,799	\$ 6,337,892	\$ 4,024,132	\$ 3,260,156	\$ 2,353,123	\$ 2,525,429	\$ 2,549,257	\$ 2,427,892	\$ 4,924,472

Transportation Costs

Tr Spot	\$ 163,460	\$ 139,363	\$ 126,534	\$ 27,586	\$ 23,839	\$ 11,298	\$ 11,675	\$ 11,675	\$ 11,298	\$ 38,543
Williams Total	\$ 163,460	\$ 139,363	\$ 126,534	\$ 27,586	\$ 23,839	\$ 11,298	\$ 11,675	\$ 11,675	\$ 11,298	\$ 38,543
Total Costs	\$ 13,496,776	\$ 7,842,162	\$ 6,464,426	\$ 4,051,718	\$ 3,283,995	\$ 2,364,422	\$ 2,537,104	\$ 2,560,932	\$ 2,439,190	\$ 4,963,015

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2023-August 2024

Schedule 3
item 53.64(c)(1)

Cost of Natural Gas

<u>Suppliers</u>	11/1/2023: Nov	12/1/2023: Dec	1/1/2024: Jan	2/1/2024: Feb	3/1/2024: Mar	4/1/2024: Apr	5/1/2024: May	6/1/2024: Jun	7/1/2024: Jul	8/1/2024: Aug
TR Spot	\$ 692,797	\$ 543,312	\$ 801,014	\$ 678,517	\$ 242,099	\$ 1,378,554	\$ 1,730,996	\$ 1,092,043	\$ 1,159,080	\$ 1,168,983
Supplier 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 32	\$ 1,302,412	\$ 873,954	\$ 1,116,310	\$ 847,627	\$ 355,678	\$ 1,975,353	\$ 1,447,563	\$ 45,000	\$ 46,500	\$ 46,500
Supplier 33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 34	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 37	\$ 2,159,703	\$ 2,490,419	\$ 2,639,731	\$ 2,382,338	\$ 2,266,754	\$ 1,535,220	\$ 1,570,808	\$ 1,570,872	\$ 1,669,994	\$ 1,685,108
Supplier 38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 40	\$ 1,873,875	\$ 2,163,047	\$ 2,293,882	\$ 2,069,580	\$ 1,967,060	\$ 501,720	\$ 513,329	\$ 513,420	\$ 545,879	\$ 550,839
Supplier 41	\$ 155,913	\$ 105,621	\$ 180,113	\$ 151,159	\$ 58,023	\$ 201,607	\$ 71,072	\$ 17,250	\$ 17,825	\$ 17,825
Supplier 42	\$ 556,484	\$ 328,488	\$ 614,431	\$ 476,153	\$ 185,694	\$ 655,267	\$ 268,227	\$ 63,000	\$ 65,100	\$ 65,100
Total Suppliers	\$ 6,741,184	\$ 6,504,842	\$ 7,645,481	\$ 6,605,375	\$ 5,075,308	\$ 6,247,721	\$ 5,601,994	\$ 3,301,585	\$ 3,504,379	\$ 3,534,355

Transportation Costs

Tr Spot	\$ 110,357	\$ 121,926	\$ 153,599	\$ 140,838	\$ 89,354	\$ 50,753	\$ 32,181	\$ 13,148	\$ 13,586	\$ 13,586
Williams Total	\$ 110,357	\$ 121,926	\$ 153,599	\$ 140,838	\$ 89,354	\$ 50,753	\$ 32,181	\$ 13,148	\$ 13,586	\$ 13,586
Total Costs	\$ 6,851,540	\$ 6,626,768	\$ 7,799,080	\$ 6,746,213	\$ 5,164,662	\$ 6,298,474	\$ 5,634,175	\$ 3,314,733	\$ 3,517,964	\$ 3,547,941

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Volumes (Dth)

<u>Suppliers</u>	1/1/2023: Jan	2/1/2023: Feb	3/1/2023: Mar	4/1/2023: Apr	5/1/2023: May	6/1/2023: Jun	7/1/2023: Jul	8/1/2023: Aug	9/1/2023: Sep	10/1/2023: Oct
TR Spot	-	172,674	44,172	249,499	236,436	91,689	94,746	94,746	91,689	260,497
Supplier 7	155,000	140,000	155,000	-	-	-	-	-	-	-
Supplier 32	786,134	455,000	360,000	405,249	142,200	-	-	-	-	339,372
Supplier 33	-	-	-	-	-	-	-	-	-	-
Supplier 34	-	-	-	-	-	-	-	-	-	-
Supplier 35	-	-	-	-	-	-	-	-	-	-
Supplier 36	-	-	-	-	-	-	-	-	-	-
Supplier 37	914,500	826,000	914,500	457,080	472,316	457,080	472,316	472,316	457,080	472,316
Supplier 38	-	-	-	-	-	-	-	-	-	-
Supplier 39	-	-	-	-	-	-	-	-	-	-
Supplier 40	529,697	478,436	529,697	150,000	155,000	150,000	155,000	155,000	150,000	155,000
Supplier 41	-	30,000	-	-	-	-	-	-	-	32,795
Supplier 42	52,300	95,497	-	-	-	-	-	-	-	121,454
Total Volumes	2,437,631	2,197,607	2,003,369	1,261,829	1,005,952	698,769	722,062	722,062	698,769	1,381,434

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Volumes (Dth)

<u>Suppliers</u>	11/1/2023: Nov	12/1/2023: Dec	1/1/2024: Jan	2/1/2024: Feb	3/1/2024: Mar	4/1/2024: Apr	5/1/2024: May	6/1/2024: Jun	7/1/2024: Jul	8/1/2024: Aug
TR Spot	175,503	124,171	173,286	151,845	60,442	386,312	489,604	299,477	309,459	309,459
Supplier 7	-	-	-	-	-	-	-	-	-	-
Supplier 32	314,391	185,386	227,870	176,540	73,240	530,783	388,774	-	-	-
Supplier 33	-	-	-	-	-	-	-	-	-	-
Supplier 34	-	-	-	-	-	-	-	-	-	-
Supplier 35	-	-	-	-	-	-	-	-	-	-
Supplier 36	-	-	-	-	-	-	-	-	-	-
Supplier 37	585,000	604,500	604,500	565,500	604,500	457,080	472,316	457,080	472,316	472,316
Supplier 38	-	-	-	-	-	-	-	-	-	-
Supplier 39	-	-	-	-	-	-	-	-	-	-
Supplier 40	512,610	529,697	529,697	495,523	529,697	150,000	155,000	150,000	155,000	155,000
Supplier 41	35,000	20,000	35,000	30,000	10,000	51,456	15,000	-	-	-
Supplier 42	124,561	60,000	118,472	92,633	30,000	165,308	57,222	-	-	-
Total Volumes	1,747,065	1,523,755	1,688,825	1,512,040	1,307,879	1,740,940	1,577,916	906,557	936,775	936,775

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2023-August 2024

Schedule 3
item 53.64(c)(1)

	1/1/2023: Jan	2/1/2023: Feb	3/1/2023: Mar	4/1/2023: Apr	5/1/2023: May	6/1/2023: Jun	7/1/2023: Jul	8/1/2023: Aug	9/1/2023: Sep	10/1/2023: Oct
WSS										
Injection	\$ -	\$ -	\$ -	\$ 506	\$ 409	\$ 396	\$ 409	\$ 409	\$ 396	\$ 409
Withdrawal	\$ 704	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625
Total Charges	\$ 67,329	\$ 66,625	\$ 66,625	\$ 67,131	\$ 67,034	\$ 67,021	\$ 67,034	\$ 67,034	\$ 67,021	\$ 67,034
S2										
Injection	\$ -	\$ -	\$ -	\$ 1,267	\$ 3,114	\$ 4,004	\$ 2,619	\$ 2,619	\$ 2,535	\$ 2,619
Withdrawal	\$ 5,916	\$ 9,983	\$ 7,355	\$ 4,265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739
Total Charges	\$ 71,655	\$ 75,722	\$ 73,094	\$ 71,271	\$ 68,852	\$ 69,742	\$ 68,358	\$ 68,358	\$ 68,274	\$ 68,358
GSS										
Injection	\$ 644	\$ -	\$ -	\$ 18,327	\$ 25,117	\$ 20,453	\$ 21,135	\$ 21,135	\$ 20,453	\$ 21,135
Withdrawal	\$ 45,649	\$ 46,296	\$ 14,489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579
Total Charges	\$ 414,872	\$ 414,876	\$ 383,069	\$ 386,906	\$ 393,696	\$ 389,032	\$ 389,714	\$ 389,714	\$ 389,032	\$ 389,714
Total Injection Charges	\$ 644	\$ -	\$ -	\$ 20,101	\$ 28,640	\$ 24,853	\$ 24,163	\$ 24,163	\$ 23,384	\$ 24,163
Total Withdrawal Charges	\$ 52,269	\$ 56,280	\$ 21,844	\$ 4,265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943
Total Storage	\$ 553,856	\$ 557,222	\$ 522,787	\$ 525,308	\$ 529,582	\$ 525,795	\$ 525,106	\$ 525,106	\$ 524,327	\$ 525,106

Forecasted Summary of Firm Transportation

Demand Charges	\$ 2,361,999	\$ 2,361,628	\$ 2,299,479	\$ 2,299,108	\$ 2,298,660	\$ 2,298,273	\$ 2,297,871	\$ 2,297,484	\$ 2,297,237	\$ 2,296,990
Capacity Release Credit	\$ (1,162,996)	\$ (1,050,448)	\$ (1,162,996)	\$ (581,520)	\$ (600,904)	\$ (581,520)	\$ (600,904)	\$ (600,904)	\$ (808,440)	\$ (835,388)
Net Demand Charge	\$ 1,199,003	\$ 1,311,180	\$ 1,136,484	\$ 1,717,588	\$ 1,697,756	\$ 1,716,753	\$ 1,696,967	\$ 1,696,580	\$ 1,488,797	\$ 1,461,602

Philadelphia Gas Works
Forecasted Summary of Total Fuel Purchased
January 2023-August 2024

Schedule 3
item 53.64(c)(1)

	11/1/2023: Nov	12/1/2023: Dec	1/1/2024: Jan	2/1/2024: Feb	3/1/2024: Mar	4/1/2024: Apr	5/1/2024: May	6/1/2024: Jun	7/1/2024: Jul	8/1/2024: Aug
WSS										
Injection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 647	\$ 1,698	\$ 1,294	\$ 1,337	\$ 1,337
Withdrawal	\$ -	\$ 1,818	\$ 3,298	\$ 3,187	\$ 504	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625	\$ 66,625
Total Charges	\$ 66,625	\$ 68,442	\$ 69,923	\$ 69,812	\$ 67,128	\$ 67,271	\$ 68,322	\$ 67,918	\$ 67,961	\$ 67,961
S2										
Injection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,394	\$ 2,882	\$ 2,789	\$ 3,621	\$ 3,917
Withdrawal	\$ -	\$ 8,448	\$ 11,286	\$ 7,864	\$ 5,176	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739	\$ 65,739
Total Charges	\$ 65,739	\$ 74,186	\$ 77,025	\$ 73,603	\$ 70,914	\$ 67,133	\$ 68,620	\$ 68,527	\$ 69,360	\$ 69,655
GSS										
Injection	\$ 1,364	\$ -	\$ -	\$ -	\$ -	\$ 16,748	\$ 39,910	\$ 30,899	\$ 30,916	\$ 28,920
Withdrawal	\$ -	\$ 55,435	\$ 74,495	\$ 55,352	\$ 18,268	\$ -	\$ -	\$ -	\$ -	\$ -
Demand Charges	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579	\$ 368,579
Total Charges	\$ 369,943	\$ 424,014	\$ 443,075	\$ 423,931	\$ 386,848	\$ 385,327	\$ 408,490	\$ 399,479	\$ 399,496	\$ 397,499
Total Injection Charges	\$ 1,364	\$ -	\$ -	\$ -	\$ -	\$ 18,789	\$ 44,490	\$ 34,982	\$ 35,874	\$ 34,173
Total Withdrawal Charges	\$ -	\$ 65,700	\$ 89,079	\$ 66,404	\$ 23,948	\$ -	\$ -	\$ -	\$ -	\$ -
Total Demand Charges	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943	\$ 500,943
Total Storage	\$ 502,306	\$ 566,642	\$ 590,022	\$ 567,346	\$ 524,890	\$ 519,732	\$ 545,432	\$ 535,924	\$ 536,817	\$ 535,116

Forecasted Summary of Firm Transportation

Demand Charges	\$ 2,296,572	\$ 2,358,025	\$ 2,357,762	\$ 2,357,499	\$ 2,295,489	\$ 2,295,226	\$ 2,294,871	\$ 2,294,608	\$ 2,294,360	\$ 2,294,113
Capacity Release Credit	\$ (202,110)	\$ (208,847)	\$ (208,847)	\$ (195,373)	\$ (208,847)	\$ (808,440)	\$ (835,388)	\$ (808,440)	\$ (835,388)	\$ (835,388)
Net Demand Charge	\$ 2,094,462	\$ 2,149,178	\$ 2,148,915	\$ 2,162,126	\$ 2,086,642	\$ 1,486,786	\$ 1,459,483	\$ 1,486,168	\$ 1,458,972	\$ 1,458,725

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Cost of Natural Gas

<u>Suppliers</u>	<u>1/1/2023: Jan</u>	<u>2/1/2023: Feb</u>	<u>3/1/2023: Mar</u>	<u>4/1/2023: Apr</u>	<u>5/1/2023: May</u>	<u>6/1/2023: Jun</u>	<u>7/1/2023: Jul</u>	<u>8/1/2023: Aug</u>	<u>9/1/2023: Sep</u>	<u>10/1/2023: Oct</u>
TE Spot	\$ 2,195,511	\$ 2,254,306	\$ 2,026,821	\$ 4,233,170	\$ 4,134,020	\$ 2,510,001	\$ 1,844,874	\$ 1,959,742	\$ 1,679,430	\$ 3,560,313
Supplier 24	\$ 3,161,914	\$ 2,145,020	\$ 2,189,441	\$ 557,538	\$ 1,099,006	\$ 1,283,248	\$ 1,320,880	\$ 1,278,240	\$ 1,366,800	\$ 1,205,156
Supplier 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 28	\$ 1,455,915	\$ 841,714	\$ 537,694	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 33	\$ 2,057,784	\$ 1,223,712	\$ 1,178,445	\$ 315,750	\$ 336,350	\$ 346,200	\$ 377,890	\$ 383,005	\$ 362,250	\$ 385,020
Supplier 34	\$ 465,000	\$ 217,812	\$ 210,180	\$ 200,250	\$ 212,970	\$ 218,520	\$ 237,894	\$ 240,963	\$ 228,150	\$ 242,172
Supplier 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 38	\$ 1,414,003	\$ 1,224,510	\$ 1,034,829	\$ 199,500	\$ 709,763	\$ 951,285	\$ 996,472	\$ 964,492	\$ 1,030,725	\$ 971,279
Sub Total	\$ 10,750,127	\$ 7,907,073	\$ 7,177,409	\$ 5,506,208	\$ 6,492,108	\$ 5,309,254	\$ 4,778,010	\$ 4,826,442	\$ 4,667,355	\$ 6,363,940
Transportation Costs										
TE Spot	\$ 326,383	\$ 322,876	\$ 332,746	\$ 256,159	\$ 293,963	\$ 228,728	\$ 196,878	\$ 196,573	\$ 193,851	\$ 257,062
Total TE	\$ 326,383	\$ 322,876	\$ 332,746	\$ 256,159	\$ 293,963	\$ 228,728	\$ 196,878	\$ 196,573	\$ 193,851	\$ 257,062
Total Costs	\$ 11,076,510	\$ 8,229,949	\$ 7,510,155	\$ 5,762,366	\$ 6,786,071	\$ 5,537,982	\$ 4,974,889	\$ 5,023,015	\$ 4,861,206	\$ 6,621,002

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Cost of Natural Gas

<u>Suppliers</u>	<u>11/1/2023: Nov</u>	<u>12/1/2023: Dec</u>	<u>1/1/2024: Jan</u>	<u>2/1/2024: Feb</u>	<u>3/1/2024: Mar</u>	<u>4/1/2024: Apr</u>	<u>5/1/2024: May</u>	<u>6/1/2024: Jun</u>	<u>7/1/2024: Jul</u>	<u>8/1/2024: Aug</u>
TE Spot	\$ 4,055,493	\$ 6,521,456	\$ 6,940,456	\$ 5,750,688	\$ 5,789,407	\$ 4,428,654	\$ 4,020,858	\$ 3,297,323	\$ 3,924,918	\$ 4,197,468
Supplier 24	\$ 1,174,472	\$ 1,949,701	\$ 2,153,780	\$ 999,780	\$ 1,619,000	\$ 759,446	\$ 1,524,550	\$ 1,744,510	\$ 1,564,975	\$ 1,214,949
Supplier 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 33	\$ 1,520,765	\$ 1,798,154	\$ 1,928,982	\$ 1,728,225	\$ 1,602,178	\$ 375,450	\$ 382,850	\$ 387,150	\$ 415,400	\$ 420,360
Supplier 34	\$ 270,180	\$ 318,990	\$ 341,961	\$ 306,501	\$ 284,580	\$ 236,070	\$ 240,870	\$ 243,090	\$ 260,400	\$ 263,376
Supplier 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplier 38	\$ 396,389	\$ 145,867	\$ 387,662	\$ 191,076	\$ 314,481	\$ 566,647	\$ 1,094,213	\$ 1,270,545	\$ 1,033,463	\$ 908,936
Sub Total	\$ 7,417,299	\$ 10,734,168	\$ 11,752,840	\$ 8,976,271	\$ 9,609,646	\$ 6,366,268	\$ 7,263,341	\$ 6,942,617	\$ 7,199,156	\$ 7,005,089
Transportation Costs										
TE Spot	\$ 266,786	\$ 338,548	\$ 347,133	\$ 276,784	\$ 337,136	\$ 255,386	\$ 294,380	\$ 271,009	\$ 272,039	\$ 262,077
Total TE	\$ 266,786	\$ 338,548	\$ 347,133	\$ 276,784	\$ 337,136	\$ 255,386	\$ 294,380	\$ 271,009	\$ 272,039	\$ 262,077
Total Costs	\$ 7,684,085	\$ 11,072,715	\$ 12,099,974	\$ 9,253,055	\$ 9,946,782	\$ 6,621,653	\$ 7,557,721	\$ 7,213,626	\$ 7,471,195	\$ 7,267,166

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Volumes

Suppliers

	<u>1/1/2023: Jan</u>	<u>2/1/2023: Feb</u>	<u>3/1/2023: Mar</u>	<u>4/1/2023: Apr</u>	<u>5/1/2023: May</u>	<u>6/1/2023: Jun</u>	<u>7/1/2023: Jul</u>	<u>8/1/2023: Aug</u>	<u>9/1/2023: Sep</u>	<u>10/1/2023: Oct</u>
TE Spot	579,290	779,228	791,727	1,676,503	1,596,147	920,088	645,512	677,877	592,391	1,226,003
Supplier 24	833,051	740,000	853,434	218,431	421,933	468,200	460,000	440,000	480,000	412,864
Supplier 25	-	-	-	-	-	-	-	-	-	-
Supplier 26	-	-	-	-	-	-	-	-	-	-
Supplier 27	-	-	-	-	-	-	-	-	-	-
Supplier 28	384,400	291,200	210,242	-	-	-	-	-	-	-
Supplier 29	-	-	-	-	-	-	-	-	-	-
Supplier 30	-	-	-	-	-	-	-	-	-	-
Supplier 31	-	-	-	-	-	-	-	-	-	-
Supplier 32	-	-	-	-	-	-	-	-	-	-
Supplier 33	529,666	478,408	529,666	150,000	155,000	150,000	155,000	155,000	150,000	155,000
Supplier 34	93,000	84,000	93,000	90,000	93,000	90,000	93,000	93,000	90,000	93,000
Supplier 35	-	-	-	-	-	-	-	-	-	-
Supplier 36	-	-	-	-	-	-	-	-	-	-
Supplier 37	-	-	-	-	-	-	-	-	-	-
Supplier 38	370,327	420,000	400,143	75,000	270,000	345,000	345,000	330,000	360,000	330,860
Total	2,789,735	2,792,836	2,878,212	2,209,934	2,536,079	1,973,288	1,698,512	1,695,877	1,672,391	2,217,726

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Volumes

Suppliers

	<u>11/1/2023: Nov</u>	<u>12/1/2023: Dec</u>	<u>1/1/2024: Jan</u>	<u>2/1/2024: Feb</u>	<u>3/1/2024: Mar</u>	<u>4/1/2024: Apr</u>	<u>5/1/2024: May</u>	<u>6/1/2024: Jun</u>	<u>7/1/2024: Jul</u>	<u>8/1/2024: Aug</u>
TE Spot	1,228,193	1,748,380	1,745,148	1,504,234	1,723,038	1,515,106	1,391,301	1,098,741	1,266,103	1,340,188
Supplier 24	353,868	521,046	540,000	260,000	480,000	257,765	525,381	579,310	502,831	385,935
Supplier 25	-	-	-	-	-	-	-	-	-	-
Supplier 26	-	-	-	-	-	-	-	-	-	-
Supplier 27	-	-	-	-	-	-	-	-	-	-
Supplier 28	-	-	-	-	-	-	-	-	-	-
Supplier 29	-	-	-	-	-	-	-	-	-	-
Supplier 30	-	-	-	-	-	-	-	-	-	-
Supplier 31	-	-	-	-	-	-	-	-	-	-
Supplier 32	-	-	-	-	-	-	-	-	-	-
Supplier 33	512,580	529,666	529,666	495,494	529,666	150,000	155,000	150,000	155,000	155,000
Supplier 34	90,000	93,000	93,000	87,000	93,000	90,000	93,000	90,000	93,000	93,000
Supplier 35	-	-	-	-	-	-	-	-	-	-
Supplier 36	-	-	-	-	-	-	-	-	-	-
Supplier 37	-	-	-	-	-	-	-	-	-	-
Supplier 38	116,979	36,302	94,845	47,421	90,482	190,394	375,000	420,000	330,000	286,869
Total	2,301,620	2,928,393	3,002,660	2,394,149	2,916,186	2,203,265	2,539,681	2,338,051	2,346,934	2,260,992

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Storages

	<u>1/1/2023: Jan</u>	<u>2/1/2023: Feb</u>	<u>3/1/2023: Mar</u>	<u>4/1/2023: Apr</u>	<u>5/1/2023: May</u>	<u>6/1/2023: Jun</u>	<u>7/1/2023: Jul</u>	<u>8/1/2023: Aug</u>	<u>9/1/2023: Sep</u>	<u>10/1/2023: Oct</u>
SS1A										
Injections	\$ 878	\$ -	\$ 1,739	\$ 7,184	\$ 15,614	\$ 14,942	\$ 11,886	\$ 11,886	\$ 11,502	\$ 11,886
Withdrawal	\$ 36,019	\$ 65,128	\$ 25,649	\$ 6,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449
Demand	\$ 371,039	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137
Total Charges	\$ 509,386	\$ 535,714	\$ 497,974	\$ 484,226	\$ 486,200	\$ 485,528	\$ 482,472	\$ 482,472	\$ 482,088	\$ 482,472
SS1B										
Injections	\$ -	\$ -	\$ 1,617	\$ 6,671	\$ 14,763	\$ 12,995	\$ 11,225	\$ 11,225	\$ 10,863	\$ 11,225
Withdrawal	\$ 43,967	\$ 41,005	\$ 24,034	\$ 15,772	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361
Demand	\$ 175,370	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470
Total Charges	\$ 313,698	\$ 309,836	\$ 294,482	\$ 291,274	\$ 283,595	\$ 281,826	\$ 280,056	\$ 280,056	\$ 279,694	\$ 280,056
GSSTE										
Injections	\$ 1,181	\$ -	\$ 2,587	\$ 12,933	\$ 26,727	\$ 22,700	\$ 17,186	\$ 17,186	\$ 16,631	\$ 17,186
Injections/Retention Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawal	\$ 17,736	\$ 15,479	\$ 11,603	\$ 9,976	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109
Demand	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191
Total Charges	\$ 211,218	\$ 207,780	\$ 206,490	\$ 215,210	\$ 219,028	\$ 215,001	\$ 209,487	\$ 209,487	\$ 208,932	\$ 209,487
Total Injection Charges	\$ 2,059	\$ -	\$ 5,943	\$ 26,787	\$ 57,104	\$ 50,637	\$ 40,296	\$ 40,296	\$ 38,996	\$ 40,296
Total Injections/Retention Fu	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Withdrawal Charges	\$ 97,722	\$ 121,612	\$ 61,285	\$ 32,205	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capacity Charges	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920
Total Demand Charges	\$ 637,601	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799
	\$ 1,034,302	\$ 1,053,330	\$ 998,946	\$ 990,710	\$ 988,822	\$ 982,356	\$ 972,015	\$ 972,015	\$ 970,715	\$ 972,015

Forecasted Summary of Firm Transportation

Texas Eastern Demand	\$ 3,817,100	\$ 3,799,180	\$ 3,798,328	\$ 3,797,623	\$ 3,796,770	\$ 3,796,035	\$ 3,795,271	\$ 3,794,536	\$ 3,794,066	\$ 3,793,596
Capacity Release Credits	\$ (2,175,733)	\$ (1,965,178)	\$ (2,175,733)	\$ (795,345)	\$ (821,856)	\$ (795,345)	\$ (821,856)	\$ (821,856)	\$ (1,105,703)	\$ (1,142,560)
Net Total	\$ 1,641,367	\$ 1,834,002	\$ 1,622,595	\$ 3,002,278	\$ 2,974,914	\$ 3,000,691	\$ 2,973,415	\$ 2,972,680	\$ 2,688,363	\$ 2,651,036
Total Demand Charges	\$ 1,641,367	\$ 1,834,002	\$ 1,622,595	\$ 3,002,278	\$ 2,974,914	\$ 3,000,691	\$ 2,973,415	\$ 2,972,680	\$ 2,688,363	\$ 2,651,036

Philadelphia Gas Works
 Forecasted Summary of Total Fuel Purchased
 January 2023-August 2024

Schedule 3
 item 53.64(c)(1)

Storages

	<u>11/1/2023: Nov</u>	<u>12/1/2023: Dec</u>	<u>1/1/2024: Jan</u>	<u>2/1/2024: Feb</u>	<u>3/1/2024: Mar</u>	<u>4/1/2024: Apr</u>	<u>5/1/2024: May</u>	<u>6/1/2024: Jun</u>	<u>7/1/2024: Jul</u>	<u>8/1/2024: Aug</u>
SS1A										
Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,738	\$ 16,534	\$ 17,388	\$ 17,968	\$ 17,968
Withdrawal	\$ -	\$ 30,708	\$ 54,666	\$ 52,051	\$ 39,565	\$ 11,946	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449
Demand	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137	\$ 369,137
Total Charges	\$ 470,586	\$ 501,294	\$ 525,252	\$ 522,637	\$ 510,151	\$ 490,270	\$ 487,120	\$ 487,974	\$ 488,554	\$ 488,554
SS1B										
Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,006	\$ 15,100	\$ 16,174	\$ 16,714	\$ 16,342
Withdrawal	\$ -	\$ 29,082	\$ 50,321	\$ 48,002	\$ 32,192	\$ 8,740	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361
Demand	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470	\$ 174,470
Total Charges	\$ 268,831	\$ 297,914	\$ 319,152	\$ 316,834	\$ 301,023	\$ 284,577	\$ 283,931	\$ 285,006	\$ 285,545	\$ 285,173
GSSTE										
Injections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,933	\$ 26,727	\$ 25,865	\$ 24,261	\$ 22,480
Injections/Retention Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawal	\$ 10,210	\$ 20,765	\$ 27,653	\$ 24,540	\$ 13,345	\$ 353	\$ -	\$ -	\$ -	\$ -
Capacity	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109	\$ 101,109
Demand	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191	\$ 91,191
Total Charges	\$ 202,511	\$ 213,066	\$ 219,954	\$ 216,841	\$ 205,646	\$ 205,586	\$ 219,028	\$ 218,166	\$ 216,562	\$ 214,781
Total Injection Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,677	\$ 58,361	\$ 59,428	\$ 58,943	\$ 56,790
Total Injections/Retention Fu	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Withdrawal Charges	\$ 10,210	\$ 80,555	\$ 132,640	\$ 124,593	\$ 85,103	\$ 21,038	\$ -	\$ -	\$ -	\$ -
Total Capacity Charges	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920	\$ 296,920
Total Demand Charges	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799	\$ 634,799
	\$ 941,929	\$ 1,012,273	\$ 1,064,358	\$ 1,056,312	\$ 1,016,821	\$ 980,433	\$ 990,079	\$ 991,146	\$ 990,661	\$ 988,509

Forecasted Summary of Firm Transportation

Texas Eastern Demand	\$ 3,792,802	\$ 3,792,332	\$ 3,791,832	\$ 3,791,333	\$ 3,790,745	\$ 3,790,245	\$ 3,789,569	\$ 3,789,070	\$ 3,788,599	\$ 3,788,129
Capacity Release Credits	\$ (693,399)	\$ (390,711)	\$ (390,711)	\$ (365,504)	\$ (390,711)	\$ (1,105,703)	\$ (1,142,560)	\$ (1,105,703)	\$ (1,142,560)	\$ (1,142,560)
Net Total	\$ 3,099,403	\$ 3,401,621	\$ 3,401,121	\$ 3,425,829	\$ 3,400,034	\$ 2,684,542	\$ 2,647,009	\$ 2,683,366	\$ 2,646,039	\$ 2,645,569
Total Demand Charges	\$ 3,099,403	\$ 3,401,621	\$ 3,401,121	\$ 3,425,829	\$ 3,400,034	\$ 2,684,542	\$ 2,647,009	\$ 2,683,366	\$ 2,646,039	\$ 2,645,569

Philadelphia Gas Works
Volumes Purchased
Williams Pipeline Company

Volumes-DTH	Jan-22	Feb-22	Mar-22	Apr-22	May-22	June-22	July-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
S-2 Storage Capacity	1,088,612	1,205,249	1,166,370	1,205,249	1,166,370	1,205,249	1,205,249	1,166,370	1,205,249	1,166,370	1,205,249	1,205,249
S-2 Demand	145,348	160,921	155,730	160,921	155,730	160,921	160,921	155,730	160,921	155,730	160,921	160,921
Handling fr Stg.	124,887	77,167	6,182	(30)							20,720	58,945
Handling to Stg.				10,461	56,398	54,000	55,800	55,800	54,000	23,250	14,162	
GSS Demand	1,908,577	1,723,876	1,908,577	1,847,010	1,908,577	1,847,010	1,908,577	1,908,577	1,847,010	1,908,577	1,847,010	1,908,577
Stg. Cap.Vol. Chg.	127,835,723	115,464,524	127,835,723	123,711,990	127,835,723	123,711,990	127,835,723	127,835,723	123,711,990	127,835,723	123,711,990	127,835,723
Handling fr Stg.	1,202,333	741,673	572,089	259,240	7,125						208,605	471,401
Storage Injection	5,652	19,421	37,193	39,859	403,056	532,724	557,746	559,548	540,125	320,778	155,963	34,064
WSS Demand	1,088,565	983,220	1,088,565	1,053,450	1,088,565	1,053,450	1,088,565	1,088,565	1,053,450	1,088,565	1,053,450	1,088,565
Stg. Cap Vol Chg.	103,413,179	93,405,452	103,413,179	100,077,270	103,413,179	100,077,270	103,413,179	103,413,179	100,077,270	103,413,179	100,077,270	103,413,179
Handling fr Stg.	564,048	175,673	53,704	87,521	40,425	2,198					92,050	364,968
Handling to Stg.	19,483	73,547	217,778	80,749	121,984	59,822	98,074	316,116	300,121	197,887	23,664	873
FT Demand/3691	5,121,572	4,625,936	5,145,349	4,979,370	5,145,349	4,979,370	5,145,349	5,145,349	4,979,370	5,145,349	4,979,370	5,121,572
FT Commodity/3691	1,214,682	905,336	548,747	1,841,812	1,670,581	1,109,864	1,108,727	1,320,277	1,288,400	1,601,035	481,193	838,995
PSFT Demand/5001	84,754	76,552										84,754
PSFT Commodity/5001												
Eminence Cust.Dem.												
Eminence Cust. Cap.												
Eminence Storage Dem.												
Eminence Storage Cap.												
Handling fr Stg.												
Handling to Stg.												
Capacity Rel. Dem.Credit #3691*	(3,848,000)	(3,640,000)	(4,030,000)	(2,250,000)	(2,325,000)	(4,249,583)	(4,703,750)	(4,320,000)	(3,600,000)	(2,325,000)	(3,600,000)	(3,720,000)
Capacity Rel.Dem. Credit #5001	(482,329)	(434,896)	(483,011)	(478,470)	(460,600)	(450,604)	(460,071)	(464,628)	(471,090)	(459,296)	(477,210)	(510,260)
S2 Credit												
Eminence #2 Demand												
Eminence #2 Capacity												
Handling to Stg.												
Handling fr. Stg.												
Eminence #2 adj.												
Cashout / Cashout Majority Sell			998									
S 2 Adj. (02/1/16 - 02/29/16)												
WSS Capacity Release												
Eminence Capacity Release												
Unauthorized Overrun 02/2016												
Eminence Capacity Release												
Cashout / Cashout 03/31/16												

* While the amount charged for the release is zero, the money will be recovered in the Sales Service Charge to make the GCR whole.

**Philadelphia Gas Works
Cost Of Fuel Purchased
Williams Pipeline Company**

Rate - \$	Jan-22	Feb-22	Mar-22	Apr-22	May-22	June-22	July-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
S-2 Capacity	0.01086	0.01710	0.01414	0.01564	0.01490	0.01490	0.01490	0.01490	0.01490	0.01490	0.01490	0.01490
Storage Demand	0.20365	0.38356	0.30539	0.30862	0.30468	0.30468	0.30468	0.30497	0.30482	0.30482	0.30482	0.30468
Handling fr Stg.	0.07787	0.07647	0.18162	0.08500	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.08637	0.07397
Handling to Stg.	0.00000	0.00000	0.00000	0.04635	0.04635	0.04635	0.04635	0.04635	0.04635	0.04665	0.04665	0.00000
GSS Demand	0.10537	0.10537	0.10537	0.13161	0.13161	0.13161	0.13161	0.13161	0.13161	0.13161	0.13186	0.13186
Stg. Cap.Vol. Chg.	0.00063	0.00063	0.00063	0.00097	0.00097	0.00097	0.00097	0.00097	0.00097	0.00097	0.00097	0.00097
Handling fr Stg.	0.04304	0.04306	0.04306	0.05615	0.05615	0.00000	0.00000	0.00000	0.00000	0.00000	0.05720	0.05720
Storage Injection	0.04619	0.04621	0.04621	0.05688	0.05688	0.05688	0.05688	0.05688	0.05688	0.05688	0.05928	0.05928
WSS Demand	0.03102	0.03102	0.03102	0.03102	0.03102	0.03102	0.03102	0.03102	0.03102	0.03102	0.03102	0.03102
Stg. Cap Vol Chg.	0.00033	0.00033	0.00033	0.00033	0.00033	0.00033	0.00033	0.00033	0.00033	0.00033	0.00033	0.00033
Handling fr Stg.	0.00440	0.00440	0.00440	0.00440	0.00440	0.00440	0.00000	0.00000	0.00000	0.00000	0.00440	0.00440
Handling to Stg.	0.00440	0.00440	0.00440	0.00440	0.00440	0.00440	0.00440	0.00440	0.00440	0.00440	0.00440	0.00440
FT Demand/.3691	0.52781	0.52781	0.52584	0.52699	0.52699	0.52699	0.52699	0.52699	0.52699	0.52699	0.52699	0.52896
FT Commodity/.3691	0.03595	0.03442	0.02679	0.02731	0.01973	0.01956	0.01804	0.01613	0.01635	0.02222	0.04657	0.05305
PSFT Demand/.5001	0.73977	0.73977	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.74195
PSFT Commodity/.5001												
Eminence Cust.Dem.												
Eminence Cust. Cap.												
Eminence Storage Dem.												
Eminence Storage Cap.												
Handling fr Stg.												
Handling to Stg.												
Capacity Rel. Dem.Credit #3691*	0.14070	0.13942	0.13673	0.06939	0.06939	0.25151	0.23827	0.15898	0.09966	0.06939	0.44292	0.44292
Capacity Rel. Dem Credit #5001	0.54595	0.54595	0.54595	0.54718	0.54718	0.54718	0.54629	0.54718	0.54718	0.54718	0.54718	0.54718
S2 Credit												
Eminence #2 Demand												
Eminence #2 Capacity												
Handling to Stg.												
Handling fr Stg.												
WSS Capacity Release												
Eminence Capacity Release												
S 2 Adj. (02/1/15 - 02/29/16)												
Cashout / Cashout Majority Sell			4.66690									
Unauthorized Overrun 02/2016												
Cashout / Cashout 03/31/16												

* While the amount charged for the release is zero, the money will be recovered in the Sales Service Charge to make the GCR whole.

**Philadelphia Gas Works
Cost of Fuel Purchased
Williams Pipeline Company**

Amount - \$	Jan-22	Feb-22	Mar-22	Apr-22	May-22	June-22	July-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
S-2 Capacity	\$ 11,822	\$ 20,613	\$ 16,493	\$ 18,845	\$ 17,379	\$ 17,958	\$ 17,958	\$ 17,379	\$ 17,958	\$ 17,379	\$ 17,958	\$ 17,958
Storage Demand	\$ 29,600	\$ 61,723	\$ 47,558	\$ 49,663	\$ 47,448	\$ 49,029	\$ 49,029	\$ 47,492	\$ 49,052	\$ 47,470	\$ 49,052	\$ 49,029
Handling fr Stg.	\$ 9,725	\$ 5,901	\$ 1,123	\$ (3)							\$ 1,790	\$ 4,360
Handling to Stg.				\$ 485	\$ 2,614	\$ 2,503	\$ 2,586	\$ 2,586	\$ 2,503	\$ 1,085	\$ 661	
GSS Demand	\$ 201,107	\$ 181,645	\$ 201,107	\$ 243,085	\$ 251,188	\$ 243,085	\$ 251,188	\$ 251,188	\$ 243,085	\$ 251,188	\$ 243,547	\$ 251,665
Stg. Cap.Vol. Chg.	\$ 80,536	\$ 72,743	\$ 80,536	\$ 120,001	\$ 124,001	\$ 120,001	\$ 124,001	\$ 124,001	\$ 120,001	\$ 124,001	\$ 120,001	\$ 124,001
Handling fr Stg.	\$ 51,748	\$ 31,936	\$ 24,634	\$ 14,556	\$ 400						\$ 11,932	\$ 26,964
Storage Injection	\$ 261	\$ 897	\$ 1,719	\$ 2,267	\$ 22,926	\$ 30,301	\$ 31,725	\$ 31,827	\$ 30,722	\$ 18,246	\$ 9,246	\$ 2,019
WSS Demand	\$ 33,767	\$ 30,499	\$ 33,767	\$ 32,678	\$ 33,767	\$ 32,678	\$ 33,767	\$ 33,767	\$ 32,678	\$ 33,767	\$ 32,678	\$ 33,767
Stg. Cap Vol Chg.	\$ 34,126	\$ 30,824	\$ 34,126	\$ 33,026	\$ 34,126	\$ 33,026	\$ 34,126	\$ 34,126	\$ 33,026	\$ 34,126	\$ 33,026	\$ 34,126
Handling fr Stg.	\$ 2,482	\$ 773	\$ 236	\$ 385	\$ 178	\$ 10					\$ 405	\$ 1,606
Handling to Stg.	\$ 86	\$ 324	\$ 958	\$ 355	\$ 537	\$ 263	\$ 432	\$ 1,391	\$ 1,321	\$ 871	\$ 104	\$ 4
FT Demand/.3691	\$ 2,703,200	\$ 2,441,600	\$ 2,705,653	\$ 2,624,071	\$ 2,711,540	\$ 2,624,071	\$ 2,711,540	\$ 2,711,540	\$ 2,624,071	\$ 2,711,540	\$ 2,624,071	\$ 2,709,084
FT Commodity/.3691	\$ 43,673	\$ 31,162	\$ 14,699	\$ 50,291	\$ 32,960	\$ 21,710	\$ 19,996	\$ 21,295	\$ 21,060	\$ 35,581	\$ 22,407	\$ 44,510
PSFT Demand/5001	\$ 62,698	\$ 56,631										\$ 62,883
PSFT Commodity												
Eminence Cust.Dem.												
Eminence Cust. Cap.												
Eminence Storage Dem.												
Eminence Storage Cap.												
Handling fr Stg.												
Handling to Stg.												
Capacity Rel. Dem.Credit #3691*	\$ (541,415)	\$ (507,500)	\$ (551,025)	\$ (156,120)	\$ (161,324)	\$ (1,068,800)	\$ (1,120,774)	\$ (686,774)	\$ (358,770)	\$ (161,324)	\$ (1,594,500)	\$ (1,647,650)
Capacity Rel. Dem.Credit #5001	\$ (263,327)	\$ (237,432)	\$ (263,699)	\$ (261,808)	\$ (252,032)	\$ (246,561)	\$ (251,334)	\$ (254,234)	\$ (257,772)	\$ (251,317)	\$ (261,120)	\$ (279,202)
S2 Credit	\$ (6,310)	\$ (6,327)	\$ (6,057)	\$ (5,593)	\$ (6,335)	\$ (6,302)	\$ (6,304)	\$ (6,332)	\$ (6,345)	\$ (6,351)	\$ (6,326)	\$ (6,295)
Eminence #2 Demand												
Eminence #2 Capacity												
Handling to Stg.												
Handling fr Stg.												
Eminence #2 ajd.												
Cashout / Cashout 02/29/2016												
S2 Adj. (02/1/15 - 02/28/15)												
WSS Capacity Release												
Eminence Capacity Release												
FT-Demand Charges Paid by VA Power												
Cashout / Cashout 03/31/16												
S2 Adj. (02/1/16 - 02/29/16)												
Cashout / Cashout Majority Sell			\$ 4,658									
Unauthorized Overrun 02/2016												
TOTAL	\$ 2,453,780	\$ 2,216,013	\$ 2,346,485	\$ 2,766,184	\$ 2,859,372	\$ 1,852,972	\$ 1,897,936	\$ 2,329,253	\$ 2,552,589	\$ 2,856,260	\$ 1,304,930	\$ 1,428,829

* While the amount charged for the release is zero, the money will be recovered in the Sales Service Charge to make the GCR whole.

**Philadelphia Gas Works
Cost Of Fuel Purchased
Texas Eastern**

Amount - \$	Jan-22	Feb-22	Mar-22	Apr-22	May-22	June-22	July-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
CDS Market Area Demand	\$ 938,550	\$ 1,610,100	\$ 1,610,100	\$ 1,629,300	\$ 1,629,300	\$ 1,629,300	\$ 1,629,300	\$ 1,630,575	\$ 1,630,575	\$ 1,630,575	\$ 1,630,575	\$ 1,629,450
CDS Access Area Demand	\$ 400,177	\$ 575,053	\$ 575,053	\$ 582,586	\$ 582,586	\$ 582,586	\$ 582,586	\$ 585,822	\$ 585,822	\$ 585,822	\$ 585,822	\$ 585,822
CDS Commodity	\$ 104,369	\$ 139,772	\$ 85,944	\$ 115,129	\$ 129,234	\$ 111,199	\$ 182,969	\$ 154,045	\$ 137,015	\$ 190,669	\$ 85,133	\$ 163,975
CDS ACA Charge	\$ 1,612	\$ 1,371	\$ 843	\$ 1,101	\$ 1,236	\$ 1,063	\$ 1,750	\$ 1,431	\$ 1,273	\$ 2,214	\$ 988	\$ 2,108
CDS PCB True-up Settlement												
FT1 Market Area Demand	\$ 292,796	\$ 506,098	\$ 506,098	\$ 512,197	\$ 512,197	\$ 512,197	\$ 512,197	\$ 512,602	\$ 512,602	\$ 512,602	\$ 512,602	\$ 512,244
FT1 Access Area Demand	\$ 235,945	\$ 352,140	\$ 352,140	\$ 358,702	\$ 358,702	\$ 358,702	\$ 358,702	\$ 360,845	\$ 360,845	\$ 360,845	\$ 360,845	\$ 360,845
FT1 Commodity												
FT1 ACA Charge												
FT1 PCB True-up Settlement												
SS1 Demand 400121	\$ 289,855	\$ 419,562	\$ 419,562	\$ 425,033	\$ 425,033	\$ 425,033	\$ 425,033	\$ 425,209	\$ 425,209	\$ 425,209	\$ 425,209	\$ 425,121
Space Charge	\$ 74,361	\$ 96,354	\$ 96,354	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449	\$ 101,449
Handling fr Storage	\$ 52,305	\$ 19,751	\$ 31,506	\$ 13,155	\$ 824	\$ 2,149				\$ 1,283	\$ 9,434	\$ 21,364
Excess Withdrawal												
Storage Injection	\$ 1,616	\$ 1,488	\$ 1,274	\$ 840	\$ 4,743		\$ 19,824	\$ 4,158	\$ 17,163	\$ 4,559	\$ 3,088	\$ 1,197
Excess Injection		\$ 10,934	\$ 3,126		\$ 36,902					\$ 11,799		\$ 2,603
Storage Surcharge Credit	\$ (53,872)	\$ (51,578)	\$ (49,669)	\$ (53,940)	\$ (53,665)	\$ (53,680)	\$ (53,915)	\$ (54,027)	\$ (54,081)	\$ (53,867)	\$ (53,604)	\$ (53,955)
PCB True-up Settlement 400121												
SS1 Demand 400209	\$ 136,965	\$ 198,255	\$ 198,255	\$ 200,840	\$ 200,840	\$ 200,840	\$ 200,840	\$ 200,923	\$ 200,923	\$ 200,923	\$ 200,923	\$ 200,882
Space Charge	\$ 69,165	\$ 89,621	\$ 89,621	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,361	\$ 94,360	\$ 94,360	\$ 94,360	\$ 94,360
Handling fr Storage	\$ 38,699	\$ 24,901	\$ 35,483	\$ 21,245	\$ 2,456					\$ 4,261	\$ 16,497	\$ 19,412
Excess Withdrawal												
Storage Injection	\$ 908	\$ 2,180	\$ 1,883	\$ 4,366	\$ 8,602	\$ 4,044	\$ 12,672	\$ 18,063	\$ 3,822	\$ 6,019	\$ 5,570	\$ 3,237
Excess Injection	\$ 13,877						\$ 9,444		\$ 11,230	\$ 6,904	\$ 61,286	
Storage Surcharge Credit	\$ (25,412)	\$ (24,330)	\$ (23,429)	\$ (25,444)	\$ (25,314)	\$ (25,322)	\$ (25,434)	\$ (25,486)	\$ (25,512)	\$ (25,411)	\$ (25,287)	\$ (25,452)
PCB True-up Settlement 400209												
FTS-2 Demand	\$ 45,671	\$ 54,981	\$ 54,981	\$ 55,240	\$ 55,240	\$ 55,240	\$ 55,240	\$ 55,240	\$ 55,240	\$ 55,240	\$ 55,240	\$ 55,235
FTS-7 Demand	\$ 57,826	\$ 71,268	\$ 71,268	\$ 71,642	\$ 71,642	\$ 71,642	\$ 71,642	\$ 71,642	\$ 71,642	\$ 71,642	\$ 71,642	\$ 71,642
FTS-8 Demand	\$ 187,187	\$ 223,411	\$ 223,411	\$ 225,545	\$ 225,545	\$ 225,545	\$ 225,545	\$ 225,545	\$ 225,545	\$ 225,545	\$ 225,545	\$ 225,545
FTS-2 PCB True-up Settlement												
FT-1 Market Demand 800514	\$ 221,238	\$ 382,410	\$ 382,410	\$ 387,018	\$ 387,018	\$ 387,018	\$ 387,018	\$ 387,324	\$ 387,324	\$ 387,324	\$ 387,324	\$ 387,054
FT-1 Access Area Demand 800514	\$ 32,943	\$ 44,587	\$ 44,587	\$ 44,311	\$ 44,311	\$ 44,311	\$ 44,311	\$ 44,529	\$ 44,529	\$ 44,529	\$ 44,529	\$ 44,529
FT Commodity	\$ 43,357	\$ 61,639	\$ 68,243								\$ 69,768	\$ 65,119
FT-1 ACA Charge	\$ 670	\$ 605	\$ 670								\$ 810	\$ 837
FT3-3 Cap.Rel. dem. credit 800514				\$ (32,940)	\$ (227,552)	\$ (218,430)	\$ (226,157)	\$ (280,730)	\$ (280,692)	\$ (25,668)		
FT3-3 Cap.Rel. dem. credit 800514												
PCB True-up Settlement 800514												
FT-1 Market Demand 800515	\$ 221,238	\$ 382,410	\$ 382,410	\$ 387,018	\$ 387,018	\$ 387,018	\$ 387,018	\$ 387,324	\$ 387,324	\$ 387,324	\$ 387,324	\$ 387,054
FT-1 Access Area Demand 800515	\$ 32,943	\$ 44,587	\$ 44,587	\$ 44,311	\$ 44,311	\$ 44,311	\$ 44,311	\$ 44,529	\$ 44,529	\$ 44,529	\$ 44,529	\$ 44,529
FT Commodity	\$ 43,357	\$ 61,270	\$ 68,243								\$ 69,768	\$ 65,119
FT-1 ACA Charge	\$ 670	\$ 601	\$ 670								\$ 810	\$ 837
FT1-3 Cap.Rel. dem. credit 800515				\$ (32,400)	\$ (227,552)	\$ (218,430)	\$ (226,157)	\$ (280,730)	\$ (280,692)	\$ (25,668)		
FT1-3 Cap.Rel. dem. credit 800515												
PCB True-up Settlement 800515												
CDS 800232 M1-M1 Cap. Rel.	\$ (269,425)	\$ (246,927)	\$ (274,339)	\$ (434,132)	\$ (418,667)	\$ (413,601)	\$ (421,817)	\$ (425,735)	\$ (432,691)	\$ (422,033)	\$ (438,124)	\$ (468,161)
FT1-800233 M3 - M3 Cap. Rel.	\$ (986,179)	\$ (890,742)	\$ (986,179)	\$ (60,730)	\$ (62,755)	\$ (60,730)	\$ (62,755)	\$ (62,755)	\$ (60,730)	\$ (62,755)	\$ (1,871,154)	\$ (1,933,526)
CDS-800232 M2-M3 Cap. Rel.*												
FTS-2,7,8 ACA	\$ 1,275	\$ 878	\$ 515	\$ 497	\$ 186	\$ 180	\$ 186	\$ 186	\$ 180	\$ 233	\$ 841	\$ 1,465
FTS-2,7,8 Commodity												
CSHOUT UNDER 5% DS												
PRIOR ADJUSTMENTS			\$ 3,001	\$ (20,551)							\$ (117)	
O.F.O CREDITS					\$ (95,401)				\$ (37,234)		\$ (2,419)	
EPC Refund												
ASA Refund												
PCB Refund												
Interest on Past Due Balance												
TOTAL	\$ 2,204,686	\$ 4,162,651	\$ 4,018,623	\$ 4,615,747	\$ 4,192,828	\$ 4,247,992	\$ 4,330,161	\$ 4,176,341	\$ 4,126,970	\$ 4,740,460	\$ 3,061,208	\$ 2,991,939

**Philadelphia Gas Works
Volumes, Rates, and Total Amounts
Eastern Gas**

Volumes	Jan-22	Feb-22	Mar-22	Apr-22	May-22	June-22	July-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
GSS Storage Demand	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047	34,047
GSS Storage Capacity	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971	3,918,971
GSS Storage Injection	16,940	16,940	274,466	39,080	402,498	429,850	393,700	393,700	293,070	216,892	198,153	-
GSS Handling from Storage	922,167	601,533	278,827	268,648	-	-	-	-	-	-	417,160	834,750
GSS-TE Surcharge	922,167	601,533	278,827	268,648	-	-	-	-	-	-	417,160	834,750
GSS-TE Excess Injection	-	-	-	-	-	-	-	-	-	-	-	-
Unauthorized Overrun Charges	-	-	-	-	-	-	-	-	-	-	3,459	-
Rates - \$												
GSS Storage Demand	\$ 1.8655	\$ 1.8655	\$ 1.8655	\$ 3.2548	\$ 3.2548	\$ 3.2548	\$ 3.2548	\$ 3.2548	\$ 3.2548	\$ 3.2548	\$ 3.2676	\$ 3.2676
GSS Storage Capacity	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0318	\$ 0.0318	\$ 0.0318	\$ 0.0318	\$ 0.0318	\$ 0.0318	\$ 0.0318	\$ 0.0318	\$ 0.0318
GSS Storage Injection	\$ 0.0273	\$ 0.0273	\$ 0.0273	\$ 0.0357	\$ 0.0357	\$ 0.0357	\$ 0.0357	\$ 0.0357	\$ 0.0357	\$ 0.0357	\$ 0.0396	\$ 0.0396
GSS Handling from Storage	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0263	\$ 0.0263	\$ 0.0263	\$ 0.0263	\$ 0.0263	\$ 0.0263	\$ 0.0263	\$ 0.0277	\$ 0.0277
GSS-TE Surcharge	\$ 0.0045	\$ 0.0045	\$ 0.0045	\$ (0.0002)	\$ (0.0002)	\$ (0.0002)	\$ (0.0002)	\$ (0.0002)	\$ (0.0002)	\$ (0.0002)	\$ (0.0008)	\$ (0.0008)
GSS-TE Excess Injection	\$ 0.2364	\$ 0.2364	\$ 0.2364	\$ 0.5305	\$ 0.5305	\$ 0.5305	\$ 0.5305	\$ 0.5305	\$ 0.5305	\$ 0.5305	\$ 0.5344	\$ 0.5344
Unauthorized Overrun Charges	\$ 0.6303	\$ 0.6303	\$ 0.6303	\$ 0.8899	\$ 0.8899	\$ 0.8899	\$ 0.8899	\$ 0.8899	\$ 0.8899	\$ 0.8899	\$ 0.8956	\$ 0.8956
Total Amount - \$												
GSS Storage Demand	\$ 63,515	\$ 63,515	\$ 63,515	\$ 110,816	\$ 110,816	\$ 110,816	\$ 110,816	\$ 110,816	\$ 110,816	\$ 110,816	\$ 111,252	\$ 111,252
GSS Storage Capacity	\$ 56,825	\$ 56,825	\$ 56,825	\$ 124,623	\$ 124,623	\$ 124,623	\$ 124,623	\$ 124,623	\$ 124,623	\$ 124,623	\$ 124,623	\$ 124,623
GSS Storage Injection	\$ 462	\$ 462	\$ 7,493	\$ 1,395	\$ 14,369	\$ 15,346	\$ 14,055	\$ 14,055	\$ 10,463	\$ 7,743	\$ 7,847	\$ -
GSS Handling from Storage	\$ 15,216	\$ 9,925	\$ 4,601	\$ 7,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,555	\$ 23,122.57
GSS-TE Surcharge	\$ 4,150	\$ 2,707	\$ 1,255	\$ (54)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (334)	\$ (668)
GSS-TE Excess Injection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
*Overrun/Penalty Distribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,392)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unauthorized Overrun Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,098	\$ -
TOTAL	\$ 140,168	\$ 133,434	\$ 133,688	\$ 243,846	\$ 249,809	\$ 247,393	\$ 249,495	\$ 249,495	\$ 245,902	\$ 243,183	\$ 258,042	\$ 258,330

CAPACITY RELEASE (Dth)

	TRANSCO		TETCO		TETCO		<u>TOTAL DOLLARS</u>		<u>TOTAL VOLUMES</u>	
	Contract 3691		Contract 800232		Contract 800515-514		TRANSCO	TETCO	TRANSCO	TETCO
	<u>VOLUMES</u>	<u>DOLLARS</u>	<u>VOLUMES</u>	<u>DOLLARS</u>	<u>VOLUMES</u>	<u>DOLLARS</u>				
Sep-22	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Oct-22	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Nov-22	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Dec-22	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	-	-
Jan-23	310,000	\$ 1,162,996	579,948	\$ 2,175,733	-	\$ -	\$ 1,162,996	\$ 2,175,733	310,000	579,948
Feb-23	280,000	\$ 1,050,448	523,824	\$ 1,965,178	-	\$ -	\$ 1,050,448	\$ 1,965,178	280,000	523,824
Mar-23	310,000	\$ 1,162,996	579,948	\$ 2,175,733	-	\$ -	\$ 1,162,996	\$ 2,175,733	310,000	579,948
Apr-23	1,200,000	\$ 581,520	561,240	\$ 271,977	1,080,000	\$ 523,368	\$ 581,520	\$ 795,345	1,200,000	1,641,240
May-23	1,240,000	\$ 600,904	579,948	\$ 281,043	1,116,000	\$ 540,814	\$ 600,904	\$ 821,856	1,240,000	1,695,948
Jun-23	1,200,000	\$ 581,520	561,240	\$ 271,977	1,080,000	\$ 523,368	\$ 581,520	\$ 795,345	1,200,000	1,641,240
Jul-23	1,240,000	\$ 600,904	579,948	\$ 281,043	1,116,000	\$ 540,814	\$ 600,904	\$ 821,856	1,240,000	1,695,948
Aug-23	1,240,000	\$ 600,903	579,948	\$ 281,043	1,116,000	\$ 540,814	\$ 600,903	\$ 821,856	1,240,000	1,695,948
TOTAL Sept 22 - Aug 23	7,020,000	\$ 6,342,191	4,546,044	\$ 7,703,726	5,508,000	\$ 2,669,177	\$ 6,342,191	\$ 10,372,903	7,020,000	10,054,044

CAPACITY RELEASE (Dth)

	TRANSCO		TETCO		TETCO		<u>TOTAL DOLLARS</u>		<u>TOTAL VOLUMES</u>	
	Contract 3691		Contract 800232		Contract 800515-514		TRANSCO	TETCO	TRANSCO	TETCO
	<u>VOLUMES</u>	<u>DOLLARS</u>	<u>VOLUMES</u>	<u>DOLLARS</u>	<u>VOLUMES</u>	<u>DOLLARS</u>				
Sep-23	1,200,000	\$ 808,440	561,240	\$ 378,107	1,080,000	\$ 727,596	\$ 808,440	\$ 1,105,703	1,200,000	1,641,240
Oct-23	1,240,000	\$ 835,388	579,948	\$ 390,711	1,116,000	\$ 751,849	\$ 835,388	\$ 1,142,560	1,240,000	1,695,948
Nov-23	300,000	\$ 202,110	561,240	\$ 378,107	468,000	\$ 315,292	\$ 202,110	\$ 693,399	300,000	1,029,240
Dec-23	310,000	\$ 208,847	579,948	\$ 390,711	-	\$ -	\$ 208,847	\$ 390,711	310,000	579,948
Jan-24	310,000	\$ 208,847	579,948	\$ 390,711	-	\$ -	\$ 208,847	\$ 390,711	310,000	579,948
Feb-24	290,000	\$ 195,373	542,532	\$ 365,504	-	\$ -	\$ 195,373	\$ 365,504	290,000	542,532
Mar-24	310,000	\$ 208,847	579,948	\$ 390,711	-	\$ -	\$ 208,847	\$ 390,711	310,000	579,948
Apr-24	1,200,000	\$ 808,440	561,240	\$ 378,107	1,080,000	\$ 727,596	\$ 808,440	\$ 1,105,703	1,200,000	1,641,240
May-24	1,240,000	\$ 835,388	579,948	\$ 390,711	1,116,000	\$ 751,849	\$ 835,388	\$ 1,142,560	1,240,000	1,695,948
Jun-24	1,200,000	\$ 808,440	561,240	\$ 378,107	1,080,000	\$ 727,596	\$ 808,440	\$ 1,105,703	1,200,000	1,641,240
Jul-24	1,240,000	\$ 835,388	579,948	\$ 390,711	1,116,000	\$ 751,849	\$ 835,388	\$ 1,142,560	1,240,000	1,695,948
Aug-24	1,240,000	\$ 835,388	579,948	\$ 390,711	1,116,000	\$ 751,849	\$ 835,388	\$ 1,142,560	1,240,000	1,695,948
TOTAL Sept 23 - Aug 24	<u>10,080,000</u>	<u>\$ 6,790,896</u>	<u>6,847,128</u>	<u>\$ 4,612,910</u>	<u>8,172,000</u>	<u>\$ 5,505,476</u>	<u>\$ 6,790,896</u>	<u>\$ 10,118,386</u>	<u>10,080,000</u>	<u>15,019,128</u>

Tab #4

Tab #5

Philadelphia Gas Works

Pennsylvania Public Utility Commission
52 Pa. Code § 53.61, et seq.

Item 53.64(c)

Thirty days prior to the filing of a tariff reflecting an increase or decrease in natural gas costs, each Section 1307(f) gas utility seeking recovery of purchased gas costs under that section shall provide notice to the public, under § 53.68(relating to notice requirements), and shall file the following supporting information with the Commission, with a copy to the Consumer Advocate, Small Business Advocate and to intervenors upon request:

- (11) If any rate structure or rate allocation changes are to be proposed, a detailed explanation of each proposal, reasons therefore, number of customers affected, net effect on each customer class, and how the change relates to or is justified by changes in gas costs proposed in the Section 1307(f) tariff filing. Explain how gas supply, transportation and storage capacity costs are allocated to customers which are primarily nonheating, interruptible or transportation customers.

Response:

Please see attached Testimony – Florian Teme (PGW St. 1) and Testimony – Ryan Reeves (PGW St. 2).

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DIRECT TESTIMONY OF

Florian Teme

ON BEHALF OF
PHILADELPHIA GAS WORKS

Docket No. R-2023-3038069

Philadelphia Gas Works
Proposed 2023-2024 Annual Gas Cost Rate Adjustment

March 1, 2023

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1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND POSITION WITH THE COMPANY.**

3 A. My name is Florian Teme. My position is Vice President, Marketing, Sales and
4 Energy Planning at the Philadelphia Gas Works.

5 **Q. HOW LONG HAVE YOU HELD THIS POSITION?**

6 A. I assumed my present position in December 2020. Prior to this position, I was
7 Vice President, Marketing and Sales.

8 **Q. AS IT PERTAINS TO ENERGY PLANNING AND RATEMAKING,
9 WHAT ARE YOUR JOB RESPONSIBILITIES?**

10 A. In my present position, I am responsible for the short and long term planning of
11 gas demand, gas supply, raw material expense and revenue; overseeing the
12 preparation of sales, sendout, revenue and fuel expense projections; developing
13 peak day/hour load projections; overseeing the development of the various filings
14 before the Pennsylvania Public Utility Commission (“PUC”) and Philadelphia
15 Gas Commission (“PGC”), including the quarterly and annual Gas Cost Rate
16 (“GCR”) filings; preparing the Integrated Resource Planning Report; and
17 providing supporting documentation for gas costs related to PGW’s Operating
18 Budget before the PGC.

19 **Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.**

20 A. I have been employed with PGW since August 2003. I became PGW’s Vice
21 President, Marketing, Sales and Energy Planning in December 2020. Prior to that,
22 I had various positions with PGW: Vice President, Marketing and Sales
23 (September 2016 – December 2020), Director, Marketing and Sales (April 2013 –
24 September 2016), Manager, Residential and Commercial Sales, Marketing

1 (March 2012 – April 2013); Manager, Controls and Analytics, Supply Chain
2 (January 2010 – March 2012); Project Manager, Information Services (January
3 2007 – January 2010); Supply Analyst, Gas Planning (April 2005 – January
4 2007); and Technical Project Administrator, Marketing (August 2003 – March
5 2005).

6 I received my Bachelor of Business Administration (Management
7 Information Systems) from Temple University - Fox School of Business and
8 Management in 2003 and my Master of Business Administration (Business
9 Intelligence, Six Sigma) from Saint Joseph's University - Erivan K. Haub School
10 of Business in 2011.

11 **Q. HAVE YOU EVER PROVIDED TESTIMONY BEFORE THIS**
12 **COMMISSION?**

13 A. Yes, I have provided testimony in PGW's last three base rate cases (Docket Nos.
14 R-2023-3037933, R-2020-3017206, and R-2017-2586783), in PGW's 2019-2020
15 GCR proceeding (Docket No. R-2019-3007636), in PGW's 2021-2022 GCR
16 proceeding (Docket No. R-2021-3023970); and in PGW's 2022-2023 GCR
17 proceeding (Docket No. R-2022-3030686).

18 **Q. HOW IS YOUR TESTIMONY STRUCTURED?**

19 A. First, I describe PGW's rate design and GCR calculation methodology. Second, I
20 describe the level of heating degree-days utilized in this filing. Third, I identify
21 the methodology for determining the number of customers and calculating firm
22 sales. Fourth, I discuss the calculation for the Unaccounted for Adjustment Factor
23 ("UAF"). Fifth, I discuss Off System Sales and Capacity Release credits. Lastly, I
24 will discuss the reasonableness of PGW's gas costs.

1 **II. RATE IMPACTS AND SUPPORTING DOCUMENTS**

2 **Q. PLEASE DESCRIBE THE IMPACT OF THE PROPOSED CHANGE IN**
3 **PGW'S GCR IN THIS PROCEEDING.**

4 A. PGW's GCR on September 1, 2022 was \$8.6371/Mcf, and this rate was decreased
5 in the Company's first quarterly GCR filing on December 1, 2022 to
6 \$8.0242/Mcf. PGW's second quarter GCR filing, also submitted to the PUC
7 concurrently with this filing, decreases the GCR to \$4.9740/Mcf effective March
8 1, 2023. The proposed rate to be effective September 1, 2023 is \$5.0576/Mcf
9 (Sch. 1).

10 **Q. PLEASE SUMMARIZE THE EVIDENCE THAT PGW IS SUBMITTING**
11 **IN SUPPORT OF ITS PROPOSED GCR ADJUSTMENT.**

12 A. This filing contains the schedules supporting the filing requirements of Section
13 53.64(a) for the proposed GCR for the period September 1, 2023 through August
14 31, 2024, which corresponds to PGW's Fiscal Year ("FY") 2024.

15 • Schedule 1 identifies the Levelized Gas Cost Rate. Specifically, this
16 schedule identifies the GCR Firm Sales Volumes in Mcfs ("S"), Total
17 Applicable GCR Expense ("C"), and adjustments for Prior Year
18 Reconciliation and Interest ("E"). An adjustment is also included for the
19 Interruptible Revenue Credit (IRC). Additionally, this schedule calculates
20 the company's total projected recovery plus the load balancing revenue
21 and LNG sales demand revenue to determine if these rates adequately
22 cover the Net Applicable GCR Expense (a Net Over/Under Recovery
23 amount is displayed to prove the calculation). Schedule 1a details the Price
24 to Compare for the PGW rate classes.

- 1 • Schedule 2 identifies the calculation of GCR Firm Sales in Mcfs (“S”) and
2 the Applicable Volumes. The company utilizes Total Volumes and
3 subtracts the volumes associated with Firm Transportation, Interruptible
4 Sales, LNG Sales and AC Sales to arrive at GCR Firm Sales (“S”). Also
5 included in Schedule 2 are the Applicable Volumes which is comprised of
6 GCR Firm Sales less 20% of the sales attributable to Senior Citizens who
7 receive the grandfathered Senior Citizen Discount (Senior Citizen
8 Discount Sales) plus the Firm Transportation Volumes.
- 9 • Schedule 3 identifies the Projected Applicable Fuel Expense. Specifically,
10 this schedule identifies PGW’s Net Natural Gas Expense and Total
11 Applicable Expenses. To arrive at the Net Natural Gas Expense, the total
12 cost of commodity and pipeline charges for firm sales are calculated per
13 month. Two credits are then applied for the portion of gas costs recovered
14 from PGW’s Interruptible Sales customers (i.e. the “Interruptible & Firm
15 A/C Credit”) and for gas used by PGW (i.e. “Gas Used by Utility”). Next,
16 the Company calculates the net effect of gas supplies being transferred
17 into and out of storage and LNG. The result is the Net Natural Gas
18 Expense. To arrive at the Total Applicable Expenses in Schedule 3, the
19 fuel expenses for Purchased Electric and miscellaneous are added to the
20 Net Natural Gas Expenses to arrive at Total Applicable Expenses.
- 21 • Schedule 4(a) is the actual/estimated data for FY 23. Schedule 4(b) is the
22 C factor Reconciliation for FY 23. Schedule 4(c) is the E factor

- 1 Reconciliation for FY 23. Schedule 4(d) is the IRC Revenue Billed for
2 FY 23. Schedule 4(e) is the Reconciliation of Demand Charges for FY 23.
- 3 • Schedule 5(a) (“Interest Calculation”) provides the calculation of the
4 interest expense or credit for the period of September 2022 through
5 August 2023 for the under/over recovery of fuel costs and the interest for
6 the natural gas refunds. Schedule 5(b) (“Interest on Natural Gas Refunds”)
7 provides information on historic refunds that have been received by the
8 Company resulting from various cases before the Federal Energy
9 Regulatory Commission and the interest on these refunds. Schedule 5(c)
10 provides the calculation of the interest for the demand and commodity
11 charges.
 - 12 • Schedule 6 presents the load balancing revenue for the forecast period of
13 September 2023 to August 2024.
 - 14 • Schedule 7 calculates total projected recovery with the proposed GCR.
 - 15 • Schedule 8 shows the changes in rates identifying the proposed changes to
16 the GCR and distribution charge and the impact on the proposed total
17 commodity rate.
 - 18 • Schedule 9(a) shows the calculation of the Universal Service & Energy
19 Conservation Surcharge to be effective September 1, 2023. Schedule 9(b)
20 is the reconciliation of the Universal Service & Energy Conservation
21 Surcharge for the period September 2022 to August 2023.
 - 22 • Schedule 10(a) shows the calculation of the Interruptible Revenue Credit
23 to be effective September 1, 2023. Schedule 10(b) is the forecasted

1 Interruptible Revenue Margin for FY 2024. Schedule 10(c) is the
2 reconciliation of the Interruptible Revenue Credit for FY 2023.

- 3 • Schedule 11(a) shows the calculation of the Other Post Employment
4 Benefit (OPEB) Surcharge to be effective September 1, 2023. Schedule
5 11(b) is the reconciliation of the OPEB Surcharge for FY 2023.
- 6 • Schedule 12(a) shows the calculation of the Efficiency Cost Recovery
7 Surcharge to be effective September 1, 2023. Schedule 12(b) shows the
8 reconciliation of the Efficiency Cost Recovery Surcharge for the FY 2023.
- 9 • Schedule 13(a) is the calendar year 2022 reconciliation of the Load
10 Balancing Charge and Schedule 13(b) is the 2022 Load Balancing
11 Expense and Interest Calculation.
- 12 • Schedule 14 sets the load balancing charge to be effective September 1,
13 2023 which is an increase from last year.
- 14 • Schedule 15 identifies the natural gas prices that were used in the
15 preparation of this filing.
- 16 • Schedule 16 is the annual reconciliation of the retainage rate and lost and
17 unaccounted for rate.

18 **Q. WHAT IS THE TIME PERIOD FOR FORECASTING PGW'S FUTURE**
19 **GAS COSTS?**

20 A. PGW's forecast period is a twenty (20) month period that commences on January
21 1, 2023 (two months before this filing) and eight months before the effective date
22 of the tariff on September 1, 2023. The 2023-2024 GCR year is from September
23 1, 2023 to August 31, 2024, however, since the required forecast covers 20

1 months, it must begin eight months earlier, consistent with Commission
2 regulations.

3 **III. RATE DESIGN AND GCR CALCULATION METHODOLOGY**

4 **Q. PLEASE PROVIDE A GENERAL DESCRIPTION OF PGW'S RATE**
5 **DESIGN AND GCR CALCULATION METHODOLOGY.**

6 A. The volumetric rates charged to PGW's customers are the distribution charge and
7 the Gas Cost Rate plus the Merchant Function Charge ("MFC") and Gas
8 Procurement Charge ("GPC"). The distribution charge consists of the Delivery
9 Charge; the Universal Service and Energy Conservation Surcharge; the Other Post
10 Retirement Benefit Surcharge; the Efficiency Cost Recovery Surcharge; and
11 Restructuring and Consumer Education Surcharge. The Universal Service and
12 Energy Conservation Surcharge provides for the recovery of Customer
13 Responsibility Program ("CRP") discounts; Senior Citizen Discounts; the costs of
14 the Enhanced Low Income Retrofit Program ("ELIRP"); CRP arrearage
15 forgiveness and the Conservation Incentive Credit. The Other Post Retirement
16 Benefit Surcharge recovers the amount to fund these obligations. The Efficiency
17 Cost Recovery Surcharge recovers the cost of the energy efficiency programs.

18 The second element of the rate is the Gas Cost Rate or GCR factor. This
19 charge is a mechanism used to flow through the costs of natural gas costs and
20 other raw materials in a timely and equitable manner. The specific elements of
21 PGW's GCR are set forth in PGW's Tariff.

22 Generally, the cost of gas purchased to serve the requirements of PGW's
23 customers constitutes the largest single item in the delivered price of gas. In the
24 past, all natural gas costs were recovered through base rates (distribution charge).

1 However, in the early 1970's, the price of gas lost its stability and underwent rapid
2 escalation during and after a worldwide oil crisis. To combat this instability and
3 prevent the economic harm to all parties caused by regulatory lag in reflecting
4 these price fluctuations in base rates, the concept of a fuel adjustment surcharge
5 mechanism was introduced by PGW. This mechanism provides the flexibility to
6 rapidly reflect current conditions without the time delay inherent in a full-scale
7 base rate alteration. The intent is to achieve an annual balance of the costs
8 incurred for fuel and its pass-through to customers. The costs for pipeline
9 transportation, storage capacity and related fuel prices charged by the interstate
10 pipeline suppliers are largely outside of distributor control. The PUC oversees the
11 pass-through of these charges and the balancing activity. The Gas Cost Rate
12 Section in PGW's Tariff identifies the appropriate formula for such a balance and
13 the charges that may be recovered through this mechanism. Charges for natural
14 gas and other raw materials are included in the GCR. In addition, the interest
15 expense for the over or under recovery of gas costs and natural gas refunds are
16 also included in the GCR. No labor or profit component is added by PGW. The
17 GCR represents the direct pass-through of actual costs incurred.

18 Only costs related to meeting customer sendout requirements, including
19 associated plant fuel, may be included as a fuel expense for GCR purposes.
20 Purchases diverted into storage and/or LNG become an expense only when
21 withdrawn for customer delivery. Costs associated with purchases made to supply
22 interruptible customers are excluded from the Total Applicable GCR Expenses
23 used to calculate the GCR. Also, demand costs for pipeline transportation for the

1 firm transportation customers are excluded from the GCR.

2 Various adjustments are then made to the total applicable expenses
3 eligible for the GCR. Natural gas refunds and interest on the refunds are credited
4 in the calculation of the GCR in the fiscal year received. An adjustment is made to
5 correct for any over or under recovery during the previous period resulting from
6 differences between rates used to project the prior GCR and those actually
7 experienced. The interest expense or credit on the over or under recovery is
8 applied to calculate the total adjustment. An additional adjustment is made for the
9 Interruptible Revenue Credit which is a credit that firm sales customers receive
10 for the interruptible sales margin.

11 To determine the unit level of the GCR, the remaining total expenses must
12 be divided by the sum of the volumes over which they can be effectively
13 distributed.

14 **Q. WHAT IS THE BASIS FOR THE PRICES USED IN DETERMINING THE**
15 **GAS COSTS USED IN THIS FILING?**

16 A. The pricing methodology utilized by the Company is consistent with that used in
17 the recent quarterly filings with the inclusion of the additional months in the 20-
18 month forecast. Specifically, the company utilized actual prices for January 2023
19 and the NYMEX Futures close data (as of January 18, 2023) for the 19 forecast
20 months of February 2023 through August 2024.

21 **Q. HOW DOES THE GCR FOR THE FORECAST PERIOD COMPARE**
22 **WITH THE GCR FORECASTED IN THE COMPANY'S LAST ANNUAL**
23 **GCR FILING?**

24 A. The GCR forecasted for 2023-2024 is \$0.5472/Mcf smaller than the level PGW
25 had forecasted for the 2022-2023 GCR (\$5.6048; R-2021-3023970, Jt. Pet. For

1 Settlement, App. A). The level of costs in the 2023-2024 period are being
2 influenced by the decrease in natural gas costs compared to the prior year.

3 **IV. LEVEL OF HEATING DEGREE DAYS**

4 **Q. DESCRIBE THE LEVEL OF HEATING DEGREE-DAYS THAT WERE**
5 **USED IN YOUR ANALYSIS.**

6 A. The Company utilizes the temperatures recorded at the PGW Richmond Plant to
7 calculate the average temperature for a given day. The Company subtracts the
8 average temperature from 65 degrees to calculate the number of degree-days for
9 the day. The degree-days for all of the days in the year are aggregated to arrive at
10 the total number of degree-days for the year. Next, the Company calculates the
11 average heating degree-days for the past 20 years to arrive at the forecasted
12 heating degree-days in a normal year, and in this filing PGW is using the 20 year
13 average of 3923 degree days.

14 **V. METHODOLOGY FOR DETERMINING NUMBER OF CUSTOMERS**
15 **AND CALCULATING FIRM SALES**

16 **Q. HOW HAS THE COMPANY CALCULATED THE NUMBER OF**
17 **CUSTOMERS IN EACH RATE CLASS?**

18 A. PGW determined the actual number of customer billings on December 31, 2022
19 using the PGW Gas Sales and Revenue Reports. Next, the Marketing Department
20 load forecast was used to factor in the addition and loss of customers. Finally, the
21 customer numbers were adjusted for the loss of customers due to non-payment
22 terminations.

23 **Q. WHAT IS THE METHODOLOGY FOR CALCULATING THE WEATHER**
24 **NORMALIZED BILLED SALES?**

25 A. PGW used a two-step process to arrive at the appropriate level of usage per
26 customer. First, a trial domestic factor is developed by class of customers from

1 sales reported for the previous year's summer months. This average factor is then
2 utilized in the sendout formula with the customer counts for the months of July,
3 August and September. A comparison between what the formula calculates and
4 the actual experienced for those three months is ascertained and the trial domestic
5 factors are finalized to replicate the total sendout experienced. The finalized
6 domestic factors (DOMS) are then utilized in conjunction with the actual sales
7 and customer counts for the months of December, January and February to
8 determine the average Mcf per degree day for each of the individual months for
9 the remaining temperature sensitive load. The results are weighted by degree-days
10 to give an average value which is utilized as a trial value for the heating factor.

11 The finalized domestic factor and the trial heating factor developed, as
12 such, are then applied in the sendout calculations together with customer counts
13 for the months of December, January and February (the peak winter cold period)
14 to project an estimated sendout for each of these months. The projected sendout is
15 then compared with the actual sendout experienced. Any variation between the
16 projected and actual is adjusted to force the replication of the actual sendout
17 experience, thus resulting in the determination of a finalized heating factor.

18 Utilizing these domestic and heating factors, billed sales are then
19 forecasted using 3923 degree days and the number of customers.

20 **VI. CALCULATION OF UNACCOUNTED FOR ADJUSTMENT FACTOR**

21 **Q. WHAT IS THE UNACCOUNTED FOR GAS PERCENTAGE USED IN**
22 **THIS FILING?**

23 **A.** The level of unaccounted for gas and retainage rate used in this filing is 2.4% and
24 is based on a 3-year average.

1 **VII. OFF SYSTEM SALES AND CAPACITY RELEASE CREDITS**

2 **Q. WHAT IS THE TOTAL AMOUNT OF OFF SYSTEM SALES, CAPACITY**
 3 **RELEASE CREDITS, AND ASSET MANAGEMENT CREDITS THAT**
 4 **ARE INCORPORATED INTO THE GCR?**

5 A. PGW has projected the amount of off system sales, capacity release credits, and
 6 asset management credits within the GCR period of 2023-2024. This amount is
 7 based on a 3-year average. Of that amount, \$16,909,282 was credited to the GCR.

8 **IX. RATE BUS**

9 **Q. AS PART OF THE SETTLEMENT IN PGW’S MOST RECENTLY**
 10 **ADJUDICATED BASE RATE CASE (R-2020-3017206, ¶ 32), PGW**
 11 **AGREED TO PROVIDE DATA AS PART OF ITS ANNUAL GCR**
 12 **FILINGS ON THE NUMBER OF CUSTOMERS, SALES LEVELS,**
 13 **REVENUES, AND THE COSTS INCURRED TO PROVIDE SERVICE**
 14 **UNDER RATE BUS. CAN YOU PROVIDE THOSE DATA?**

15 A. Yes. The information pertaining to the number of customers, sales levels,
 16 revenues, and the costs incurred to provide service under Rate BUS is provided
 17 below:

Tariff Rate	Total Customer Count	Total Annual Sales Volume (MCF)	Total Annual Revenue	Total Customer Capital Cost
Back-Up Service – Rate BUS	54	1,890	\$209,116	\$1,368,160

18 **VIII. REASONABLENESS OF GAS COSTS**

20 **Q. BASED UPON THE ABOVE SUPPORTING DATA, DO YOU BELIEVE**
 21 **THAT PGW’S GAS COSTS ARE REASONABLE?**

22 A. Yes, PGW’s GCR only contains the direct pass-through of actual costs incurred
 23 and projections of the same (for both gas costs and certain non-gas costs that were

1 previously approved by the PUC). As stated by Mr. Reeves in his testimony,
2 PGW follows a least cost gas procurement strategy.

3 **IX. CONCLUSION**

4 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

5 A. Yes.

VERIFICATION

I, Florian Teme, hereby state that: (1) I am the Vice President, Marketing, Sales and Energy Planning for Philadelphia Gas Works (“PGW”); (2) the facts set forth in my testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 3/1/2023



Florian Teme
Vice President, Marketing, Sales and
Energy Planning
Philadelphia Gas Works

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DIRECT TESTIMONY OF

Florian Teme

ON BEHALF OF
PHILADELPHIA GAS WORKS

Docket No. R-2023-3038069

Philadelphia Gas Works
Proposed 2023-2024 Annual Gas Cost Rate Adjustment

March 1, 2023

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1 I. **INTRODUCTION**

2 Q. **PLEASE STATE YOUR NAME AND POSITION WITH THE COMPANY.**

3 A. My name is Florian Teme. My position is Vice President, Marketing, Sales and
4 Energy Planning at the Philadelphia Gas Works.

5 Q. **HOW LONG HAVE YOU HELD THIS POSITION?**

6 A. I assumed my present position in December 2020. Prior to this position, I was
7 Vice President, Marketing and Sales.

8 Q. **AS IT PERTAINS TO ENERGY PLANNING AND RATEMAKING,
9 WHAT ARE YOUR JOB RESPONSIBILITIES?**

10 A. In my present position, I am responsible for the short and long term planning of
11 gas demand, gas supply, raw material expense and revenue; overseeing the
12 preparation of sales, sendout, revenue and fuel expense projections; developing
13 peak day/hour load projections; overseeing the development of the various filings
14 before the Pennsylvania Public Utility Commission (“PUC”) and Philadelphia
15 Gas Commission (“PGC”), including the quarterly and annual Gas Cost Rate
16 (“GCR”) filings; preparing the Integrated Resource Planning Report; and
17 providing supporting documentation for gas costs related to PGW’s Operating
18 Budget before the PGC.

19 Q. **PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.**

20 A. I have been employed with PGW since August 2003. I became PGW’s Vice
21 President, Marketing, Sales and Energy Planning in December 2020. Prior to that,
22 I had various positions with PGW: Vice President, Marketing and Sales
23 (September 2016 – December 2020), Director, Marketing and Sales (April 2013 –
24 September 2016), Manager, Residential and Commercial Sales, Marketing

1 (March 2012 – April 2013); Manager, Controls and Analytics, Supply Chain
2 (January 2010 – March 2012); Project Manager, Information Services (January
3 2007 – January 2010); Supply Analyst, Gas Planning (April 2005 – January
4 2007); and Technical Project Administrator, Marketing (August 2003 – March
5 2005).

6 I received my Bachelor of Business Administration (Management
7 Information Systems) from Temple University - Fox School of Business and
8 Management in 2003 and my Master of Business Administration (Business
9 Intelligence, Six Sigma) from Saint Joseph's University - Erivan K. Haub School
10 of Business in 2011.

11 **Q. HAVE YOU EVER PROVIDED TESTIMONY BEFORE THIS**
12 **COMMISSION?**

13 A. Yes, I have provided testimony in PGW's last three base rate cases (Docket Nos.
14 R-2023-3037933, R-2020-3017206, and R-2017-2586783), in PGW's 2019-2020
15 GCR proceeding (Docket No. R-2019-3007636), in PGW's 2021-2022 GCR
16 proceeding (Docket No. R-2021-3023970); and in PGW's 2022-2023 GCR
17 proceeding (Docket No. R-2022-3030686).

18 **Q. HOW IS YOUR TESTIMONY STRUCTURED?**

19 A. First, I describe PGW's rate design and GCR calculation methodology. Second, I
20 describe the level of heating degree-days utilized in this filing. Third, I identify
21 the methodology for determining the number of customers and calculating firm
22 sales. Fourth, I discuss the calculation for the Unaccounted for Adjustment Factor
23 ("UAF"). Fifth, I discuss Off System Sales and Capacity Release credits. Lastly, I
24 will discuss the reasonableness of PGW's gas costs.

1 **II. RATE IMPACTS AND SUPPORTING DOCUMENTS**

2 **Q. PLEASE DESCRIBE THE IMPACT OF THE PROPOSED CHANGE IN**
3 **PGW'S GCR IN THIS PROCEEDING.**

4 A. PGW's GCR on September 1, 2022 was \$8.6371/Mcf, and this rate was decreased
5 in the Company's first quarterly GCR filing on December 1, 2022 to
6 \$8.0242/Mcf. PGW's second quarter GCR filing, also submitted to the PUC
7 concurrently with this filing, decreases the GCR to \$4.9740/Mcf effective March
8 1, 2023. The proposed rate to be effective September 1, 2023 is \$5.0576/Mcf
9 (Sch. 1).

10 **Q. PLEASE SUMMARIZE THE EVIDENCE THAT PGW IS SUBMITTING**
11 **IN SUPPORT OF ITS PROPOSED GCR ADJUSTMENT.**

12 A. This filing contains the schedules supporting the filing requirements of Section
13 53.64(a) for the proposed GCR for the period September 1, 2023 through August
14 31, 2024, which corresponds to PGW's Fiscal Year ("FY") 2024.

15 • Schedule 1 identifies the Levelized Gas Cost Rate. Specifically, this
16 schedule identifies the GCR Firm Sales Volumes in Mcfs ("S"), Total
17 Applicable GCR Expense ("C"), and adjustments for Prior Year
18 Reconciliation and Interest ("E"). An adjustment is also included for the
19 Interruptible Revenue Credit (IRC). Additionally, this schedule calculates
20 the company's total projected recovery plus the load balancing revenue
21 and LNG sales demand revenue to determine if these rates adequately
22 cover the Net Applicable GCR Expense (a Net Over/Under Recovery
23 amount is displayed to prove the calculation). Schedule 1a details the Price
24 to Compare for the PGW rate classes.

- 1 • Schedule 2 identifies the calculation of GCR Firm Sales in Mcfs (“S”) and
2 the Applicable Volumes. The company utilizes Total Volumes and
3 subtracts the volumes associated with Firm Transportation, Interruptible
4 Sales, LNG Sales and AC Sales to arrive at GCR Firm Sales (“S”). Also
5 included in Schedule 2 are the Applicable Volumes which is comprised of
6 GCR Firm Sales less 20% of the sales attributable to Senior Citizens
7 (Senior Citizen Discount Sales) plus the Firm Transportation Volumes.
- 8 • Schedule 3 identifies the Projected Applicable Fuel Expense. Specifically,
9 this schedule identifies PGW’s Net Natural Gas Expense and Total
10 Applicable Expenses. To arrive at the Net Natural Gas Expense, the total
11 cost of commodity and pipeline charges for firm sales are calculated per
12 month. Two credits are then applied for the portion of gas costs recovered
13 from PGW’s Interruptible Sales customers (i.e. the “Interruptible & Firm
14 A/C Credit”) and for gas used by PGW (i.e. “Gas Used by Utility”). Next,
15 the Company calculates the net effect of gas supplies being transferred
16 into and out of storage and LNG. The result is the Net Natural Gas
17 Expense. To arrive at the Total Applicable Expenses in Schedule 3, the
18 fuel expenses for Purchased Electric and miscellaneous are added to the
19 Net Natural Gas Expenses to arrive at Total Applicable Expenses.
- 20 • Schedule 4(a) is the actual/estimated data for FY 23. Schedule 4(b) is the
21 C factor Reconciliation for FY 23. Schedule 4(c) is the E factor
22 Reconciliation for FY 23. Schedule 4(d) is the IRC Revenue Billed for
23 FY 23. Schedule 4(e) is the Reconciliation of Demand Charges for FY 23.

- 1 • Schedule 5(a) (“Interest Calculation”) provides the calculation of the
2 interest expense or credit for the period of September 2022 through
3 August 2023 for the under/over recovery of fuel costs and the interest for
4 the natural gas refunds. Schedule 5(b) (“Interest on Natural Gas Refunds”)
5 provides information on historic refunds that have been received by the
6 Company resulting from various cases before the Federal Energy
7 Regulatory Commission and the interest on these refunds. Schedule 5(c)
8 provides the calculation of the interest for the demand and commodity
9 charges.
- 10 • Schedule 6 presents the load balancing revenue for the forecast period of
11 September 2023 to August 2024.
- 12 • Schedule 7 calculates total projected recovery with the proposed GCR.
- 13 • Schedule 8 shows the changes in rates identifying the proposed changes to
14 the GCR and distribution charge and the impact on the proposed total
15 commodity rate.
- 16 • Schedule 9(a) shows the calculation of the Universal Service & Energy
17 Conservation Surcharge to be effective September 1, 2023. Schedule 9(b)
18 is the reconciliation of the Universal Service & Energy Conservation
19 Surcharge for the period September 2022 to August 2023.
- 20 • Schedule 10(a) shows the calculation of the Interruptible Revenue Credit
21 to be effective September 1, 2023. Schedule 10(b) is the forecasted
22 Interruptible Revenue Margin for FY 2024. Schedule 10(c) is the
23 reconciliation of the Interruptible Revenue Credit for FY 2023.

- 1 • Schedule 11(a) shows the calculation of the Other Post Employment
2 Benefit (OPEB) Surcharge to be effective September 1, 2023. Schedule
3 11(b) is the reconciliation of the OPEB Surcharge for FY 2023.
- 4 • Schedule 12(a) shows the calculation of the Efficiency Cost Recovery
5 Surcharge to be effective September 1, 2023. Schedule 12(b) shows the
6 reconciliation of the Efficiency Cost Recovery Surcharge for the FY 2023.
- 7 • Schedule 13(a) is the calendar year 2022 reconciliation of the Load
8 Balancing Charge and Schedule 13(b) is the 2022 Load Balancing
9 Expense and Interest Calculation.
- 10 • Schedule 14 sets the load balancing charge to be effective September 1,
11 2023 which is an increase from last year.
- 12 • Schedule 15 identifies the natural gas prices that were used in the
13 preparation of this filing.
- 14 • Schedule 16 is the annual reconciliation of the retainage rate and lost and
15 unaccounted for rate.

16 **Q. WHAT IS THE TIME PERIOD FOR FORECASTING PGW'S FUTURE**
17 **GAS COSTS?**

18 **A.** PGW's forecast period is a twenty (20) month period that commences on January
19 1, 2023 (two months before this filing) and eight months before the effective date
20 of the tariff on September 1, 2023. The 2023-2024 GCR year is from September
21 1, 2023 to August 31, 2024, however, since the required forecast covers 20
22 months, it must begin eight months earlier, consistent with Commission
23 regulations.

1 **III. RATE DESIGN AND GCR CALCULATION METHODOLOGY**

2 **Q. PLEASE PROVIDE A GENERAL DESCRIPTION OF PGW'S RATE**
3 **DESIGN AND GCR CALCULATION METHODOLOGY.**

4 A. The volumetric rates charged to PGW's customers are the distribution charge and
5 the Gas Cost Rate plus the Merchant Function Charge ("MFC") and Gas
6 Procurement Charge ("GPC"). The distribution charge consists of the Delivery
7 Charge; the Universal Service and Energy Conservation Surcharge; the Other Post
8 Retirement Benefit Surcharge; the Efficiency Cost Recovery Surcharge; and
9 Restructuring and Consumer Education Surcharge. The Universal Service and
10 Energy Conservation Surcharge provides for the recovery of Customer
11 Responsibility Program ("CRP") discounts; Senior Citizen Discounts; the costs of
12 the Enhanced Low Income Retrofit Program ("ELIRP"); CRP arrearage
13 forgiveness and the Conservation Incentive Credit. The Other Post Retirement
14 Benefit Surcharge recovers the amount to fund these obligations. The Efficiency
15 Cost Recovery Surcharge recovers the cost of the energy efficiency programs.

16 The second element of the rate is the Gas Cost Rate or GCR factor. This
17 charge is a mechanism used to flow through the costs of natural gas costs and
18 other raw materials in a timely and equitable manner. The specific elements of
19 PGW's GCR are set forth in PGW's Tariff.

20 Generally, the cost of gas purchased to serve the requirements of PGW's
21 customers constitutes the largest single item in the delivered price of gas. In the
22 past, all natural gas costs were recovered through base rates (distribution charge).
23 However, in the early 1970's, the price of gas lost its stability and underwent rapid
24 escalation during and after a worldwide oil crisis. To combat this instability and

1 prevent the economic harm to all parties caused by regulatory lag in reflecting
2 these price fluctuations in base rates, the concept of a fuel adjustment surcharge
3 mechanism was introduced by PGW. This mechanism provides the flexibility to
4 rapidly reflect current conditions without the time delay inherent in a full-scale
5 base rate alteration. The intent is to achieve an annual balance of the costs
6 incurred for fuel and its pass-through to customers. The costs for pipeline
7 transportation, storage capacity and related fuel prices charged by the interstate
8 pipeline suppliers are largely outside of distributor control. The PUC oversees the
9 pass-through of these charges and the balancing activity. The Gas Cost Rate
10 Section in PGW's Tariff identifies the appropriate formula for such a balance and
11 the charges that may be recovered through this mechanism. Charges for natural
12 gas and other raw materials are included in the GCR. In addition, the interest
13 expense for the over or under recovery of gas costs and natural gas refunds are
14 also included in the GCR. No labor or profit component is added by PGW. The
15 GCR represents the direct pass-through of actual costs incurred.

16 Only costs related to meeting customer sendout requirements, including
17 associated plant fuel, may be included as a fuel expense for GCR purposes.
18 Purchases diverted into storage and/or LNG become an expense only when
19 withdrawn for customer delivery. Costs associated with purchases made to supply
20 interruptible customers are excluded from the Total Applicable GCR Expenses
21 used to calculate the GCR. Also, demand costs for pipeline transportation for the
22 firm transportation customers are excluded from the GCR.

23 Various adjustments are then made to the total applicable expenses

1 eligible for the GCR. Natural gas refunds and interest on the refunds are credited
2 in the calculation of the GCR in the fiscal year received. An adjustment is made to
3 correct for any over or under recovery during the previous period resulting from
4 differences between rates used to project the prior GCR and those actually
5 experienced. The interest expense or credit on the over or under recovery is
6 applied to calculate the total adjustment. An additional adjustment is made for the
7 Interruptible Revenue Credit which is a credit that firm sales customers receive
8 for the interruptible sales margin.

9 To determine the unit level of the GCR, the remaining total expenses must
10 be divided by the sum of the volumes over which they can be effectively
11 distributed.

12 **Q. WHAT IS THE BASIS FOR THE PRICES USED IN DETERMINING THE**
13 **GAS COSTS USED IN THIS FILING?**

14 A. The pricing methodology utilized by the Company is consistent with that used in
15 the recent quarterly filings with the inclusion of the additional months in the 20-
16 month forecast. Specifically, the company utilized actual prices for January 2023
17 and the NYMEX Futures close data (as of January 18, 2023) for the 19 forecast
18 months of February 2023 through August 2024.

19 **Q. HOW DOES THE GCR FOR THE FORECAST PERIOD COMPARE**
20 **WITH THE GCR FORECASTED IN THE COMPANY'S LAST ANNUAL**
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22 A. The GCR forecasted for 2023-2024 is \$0.5472/Mcf smaller than the level PGW
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6 average temperature from 65 degrees to calculate the number of degree-days for
7 the day. The degree-days for all of the days in the year are aggregated to arrive at
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3 factors are finalized to replicate the total sendout experienced. The finalized
4 domestic factors (DOMS) are then utilized in conjunction with the actual sales
5 and customer counts for the months of December, January and February to
6 determine the average Mcf per degree day for each of the individual months for
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8 to give an average value which is utilized as a trial value for the heating factor.

9 The finalized domestic factor and the trial heating factor developed, as
10 such, are then applied in the sendout calculations together with customer counts
11 for the months of December, January and February (the peak winter cold period)
12 to project an estimated sendout for each of these months. The projected sendout is
13 then compared with the actual sendout experienced. Any variation between the
14 projected and actual is adjusted to force the replication of the actual sendout
15 experience, thus resulting in the determination of a finalized heating factor.

16 Utilizing these domestic and heating factors, billed sales are then
17 forecasted using 3923 degree days and the number of customers.

18 **VI. CALCULATION OF UNACCOUNTED FOR ADJUSTMENT FACTOR**

19 **Q. WHAT IS THE UNACCOUNTED FOR GAS PERCENTAGE USED IN**
20 **THIS FILING?**

21 **A.** The level of unaccounted for gas and retainage rate used in this filing is 2.4% and
22 is based on a 3-year average.

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2 **Q. WHAT IS THE TOTAL AMOUNT OF OFF SYSTEM SALES, CAPACITY**
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 7 based on a 3-year average. Of that amount, \$16,909,282 was credited to the GCR.

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9 **Q. AS PART OF THE SETTLEMENT IN PGW’S MOST RECENT BASE**
 10 **RATE CASE (R-2020-3017206, ¶ 32), PGW AGREED TO PROVIDE DATA**
 11 **AS PART OF ITS ANNUAL GCR FILINGS ON THE NUMBER OF**
 12 **CUSTOMERS, SALES LEVELS, REVENUES, AND THE COSTS**
 13 **INCURRED TO PROVIDE SERVICE UNDER RATE BUS. CAN YOU**
 14 **PROVIDE THOSE DATA?**

15 A. Yes. The information pertaining to the number of customers, sales levels,
 16 revenues, and the costs incurred to provide service under Rate BUS is provided
 17 below:

Tariff Rate	Total Customer Count	Total Annual Sales Volume (MCF)	Total Annual Revenue	Total Customer Capital Cost
Back-Up Service – Rate BUS	54	1,890	\$209,116	\$1,368,160

18
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20 **Q. BASED UPON THE ABOVE SUPPORTING DATA, DO YOU BELIEVE**
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22 A. Yes, PGW’s GCR only contains the direct pass-through of actual costs incurred
 23 and projections of the same (for both gas costs and certain non-gas costs that were

1 previously approved by the PUC). As stated by Mr. Reeves in his testimony,
2 PGW follows a least cost gas procurement strategy.

3 **IX. CONCLUSION**

4 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

5 **A. Yes.**

Tab #6

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DIRECT TESTIMONY OF

Ryan E. Reeves

ON BEHALF OF
PHILADELPHIA GAS WORKS

Docket No. R-2023-3038069

Philadelphia Gas Works
Proposed 2023-2024 Annual Gas Cost Rate Adjustment

March 1, 2023

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RR-1	PGW’s Gas Purchasing Strategy for the 2022-2023 Heating Season
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1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND CURRENT POSITION WITH PGW.**

3 A. My name is Ryan E. Reeves. My position with Philadelphia Gas Works (“PGW” or
4 “Company”) is Director of Gas Supply, Transportation and Control.

5 **Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.**

6 A. I received a Bachelor of Science degree in Chemical Engineering from Drexel University
7 in 2009 and a Master’s degree in Business Administration from Villanova University in
8 2016. I have held the following positions at PGW: Staff Engineer and Operations
9 Engineer at PGW’s Richmond LNG Plant, and Manager of Special Projects.

10 **Q. PLEASE DESCRIBE YOUR DUTIES IN YOUR PRESENT POSITION.**

11 A. I develop and monitor PGW’s long-term Gas Supply Strategic Plan that ensures PGW
12 has the financial resources and assets to execute its business strategy. I advance policies,
13 procedures and practices that ensure safe, reliable, competitively priced gas supplies and
14 other energy resources to meet current and future demands on PGW’s systems, and I
15 analyze the overall long-term capital and operating budget plans for Gas Supply.

16 **Q. HAVE YOU EVER PROVIDED TESTIMONY BEFORE THIS**
17 **COMMISSION?**

18 A. Yes. Among other proceedings, I provided testimony in PGW’s 2021-2022 Gas Cost
19 Rate proceeding (Docket No. R-2021-3023970) and in PGW’s 2022-2023 GCR
20 proceeding (Docket No. R-2022-3030686).

21 **Q. WHAT IS THE FOCUS OF YOUR TESTIMONY IN THIS PROCEEDING?**

22 A. My testimony discusses:

- 23 • PGW’s gas purchasing policies and strategies applicable to FY 2024 (September
24 1, 2023 through August 31, 2024) and those utilized in FY 2023 (September 1,
25 2022 through August 31, 2023); and
26

- Price analysis and buying advisory service.

Q. PLEASE PROVIDE A GENERAL DESCRIPTION OF PGW'S GAS DISTRIBUTION SYSTEM.

A. PGW's gas distribution system is located in Southeastern Pennsylvania in the County and City of Philadelphia. Since this is not a gas-producing area, PGW and its natural gas customers are dependent upon the interstate gas pipeline system to deliver natural gas into the PGW gas distribution system. PGW relies on the interstate pipeline for all natural gas supply, storage, and transportation services, except for PGW's own on-system peak shaving facilities. PGW owns and operates two LNG facilities that are used primarily both to meet intraday, daily and seasonal supply needs as well as to meet peak day requirement.

Q. PLEASE IDENTIFY PGW'S CURRENT INTERSTATE SUPPLIERS.

A. Enbridge's Texas Eastern Transmission pipeline and Williams' Transco Gas Pipeline are the two interstate natural gas pipelines that deliver gas to PGW's city gates. In addition, PGW uses off-system natural gas storage services to meet winter peak requirements.

II. GAS PURCHASING POLICIES AND SUPPLY STRATEGY

Q. DOES PGW UTILIZE A LEAST-COST PROCUREMENT POLICY IN ITS GAS PURCHASING POLICIES AND SUPPLY STRATEGY?

A. Yes. PGW pursues a least cost gas procurement policy in a manner consistent with PGW's obligation to provide safe, adequate and reliable service to its customers.

Q. PLEASE DESCRIBE PGW'S SUPPLY STRATEGY.

A. PGW's supply strategy¹ (which is currently being used during the FY 2023 GCR period and which the Company intends to use for the FY 2024 GCR period) is a portfolio

¹ All natural gas supply strategies are presented to the Company's internal Supply Committee for review and approval. The Supply Committee is comprised of: the CEO, the COO, the CFO, Senior Vice President of Gas

1 approach in both contract structure and pricing. The portfolio approach of purchasing gas
2 supply allows PGW to remove some of the volatility in purchasing natural gas supplies
3 for its ratepayers. Without the use of the portfolio approach, firm ratepayer would be
4 totally at the mercy of market volatility.

5 The Company's gas supply portfolio is divided into four distinct categories: (1)
6 daily index price swing contracts; (2) physical forward purchased contracts; (3) storage;
7 and (4) LNG.

8 (1) The advantage of daily index priced swing contracts is their operational
9 flexibility which allows PGW to increase and decrease the volume in response to changes
10 in sendout requirements. During certain time periods, these types of contracts also
11 provide security of supply.

12 (2) The Company enters into physical forward purchased contracts for seasonal
13 baseload supplies and long-term baseload supplies, including "pre-paid natural gas"
14 arrangements (discussed below). These contracts permit the Company to make
15 discretionary physical forward purchases on a year-round basis.

16 (3) The Company utilizes storage fields which act as additional sources of supply.
17 The gas procured under these contracts also acts as a physical fixed price counter to
18 market conditions.

19 (4) The Company operates its own LNG peak shaving liquefaction, vaporization,
20 and storage facilities.

Management, and Vice President of Gas Supply. (Note: the COO and Vice President of Gas Supply positions are presently vacant.) The Supply Committee meets quarterly, or more often, at the invitation of the Senior Vice President Gas Management.

1 The Enbridge and Williams Gas Pipelines represent the only interstate pipeline
2 facilities with physical connections to the PGW service territory. As a result, all of
3 PGW's supply contracts utilize these pipelines, and the contracts also recognize pipeline
4 receipt and delivery rights. These contracts contain the ability to "lock up" the price for
5 upcoming months or to have the pricing default to an agreed upon market index if there is
6 no market advantage in fixing a price before the month begins. As a result, PGW not only
7 ensures security of supply from the pipelines but also can take advantage of varying basis
8 differentiated pricing in the market. This differentiated pricing results from the fact that
9 all shippers of natural gas receive their gas at varying locations along the pipeline. PGW
10 uses a city-gate delivered price in comparing the various alternatives available. The city
11 gate delivered price is computed considering the "into the pipe price of gas" plus all
12 incremental charges levied by the transporting pipeline to deliver the gas to the city gate.
13 These prices include, but are not limited to, reservation fees, fuel, transportation charges
14 and FERC Annual Charge Adjustment ("ACA") charges.

15 Additionally, PGW utilizes storages and LNG to meet operational requirements.
16 Bundled storage contracts give PGW the right to both store and deliver gas via bundled
17 pipeline capacity. Unbundled storage contracts provide storage rights for gas which is
18 transported on PGW's firm pipeline transportation capacity. These storages provide off-
19 system storage, and LNG provides on-system storage. While both types of storages are
20 important to fulfill operational requirements, PGW's on-system LNG storage is vital
21 during peak days when customer demand exceeds the amount of gas that can be
22 physically provided through PGW's city gates.

1 Once operational requirements are met, these assets are then used in the overall
2 cost saving strategies. For example, once design winter sendout requirements are ensured,
3 the Company may utilize bundled storage and LNG as a substitute for higher priced gas.
4 PGW's summer gas procurement policy uses a similar approach to address system supply
5 and storage refill. The Gas Supply Department also uses forecasted prices as a benchmark
6 to purchase gas volumes for both system supply and storage refill below the projected
7 cost (when possible) on a proportional basis, while leaving a portion of its needs to
8 default to first of the month pricing.

9 **Q. DOES PGW PURCHASE GAS FROM ANY AFFILIATED INTEREST?**

10 A. No. PGW does not have any affiliated gas suppliers or pipelines.

11 **Q. DOES PGW TAKE STEPS TO ENSURE SYSTEM RELIABILITY WHILE**
12 **SEEKING TO PROCURE GAS AT THE LEAST COST?**

13 A. Yes. PGW physically sources the gas in accordance with its firm pipeline paths. The
14 pipelines give PGW firm entitlements on their systems for the sourcing of gas for which
15 PGW pays a demand charge. By sourcing supply in this way, PGW ensures its sole
16 entitlement to this space on the pipeline and cannot be accused of infringement.
17 Transporting gas from different locations also mitigates the impact of potential regional
18 disruptions because not all of the supply enters the pipe at the same location. As a result,
19 if there is a disruption at one location, not all of PGW's supply will be affected. PGW's
20 Gas Planning Department also runs a supply status model during the winter operating
21 season which recognizes normal and design winter conditions and the latest actual
22 balance of gas in all storage facilities. Gas Management utilizes the output of this model
23 to make recommendations or changes in its supply operating strategy to ensure that peak
24 day needs and design winter conditions can be met from that point forward.

1 **Q. DOES PGW PERIODICALLY REVIEW ITS EXISTING CONTRACTS TO**
2 **DETERMINE IF THEY ARE APPROPRIATE?**

3 A. Yes. PGW reviews each of its existing contracts on a regular basis to ensure that none of
4 the contracts are adverse to its customers' interests. Whenever appropriate, PGW initiates
5 renegotiations (if the contract permits) to change the terms.

6 **Q. IN PGW'S 2020-2021 GCR, YOU INDICATED THAT PGW HAD BEGUN TO**
7 **TAKE ADVANTAGE OF A PREPAID GAS PROGRAM MADE POSSIBLE BY**
8 **PROVISIONS IN THE INTERNAL REVENUE CODE THAT PERMITTED**
9 **MUNICIPAL GAS COMPANIES TO OBTAIN GAS COST REDUCTIONS, IS**
10 **THAT CORRECT?**

11 A. Yes. Beginning in FY 2020, PGW has taken advantage of provisions in the Internal
12 Revenue Code that permits municipal gas companies to use tax exempt bond financed
13 prepaid gas purchase arrangements to obtain significant discounts on those purchases, the
14 savings from which are passed on to PGW sales customers.

15 **Q. WHAT IS A PREPAID GAS ARRANGEMENT?**

16 A. A prepaid gas arrangement is an arrangement in which PGW has agreed to purchase gas
17 from a gas supplier for (typically) 25-30 years. (PGW does not pay for the entire 30 years
18 of purchases up front but receives a monthly invoice for gas received by PGW). The
19 natural gas is purchased from a gas supplier, through a government authority. The
20 authority issues a tax-free long-term bond and uses the proceeds to "prepay" for the
21 natural gas it will purchase on behalf of various municipal gas utilities, including PGW.
22 The gas supplier sells the natural gas to the authority (which then, in turn, sells it to
23 PGW) at a discount, in recognition of the fact that the supplier is able to invest the
24 prepayment at taxable rates. In order to share some of this investment income, the
25 supplier provides PGW with natural gas at significant discounts from a market index
26 price. The size of the discount is determined based on the spread between non-taxable

1 and taxable investments. As noted, the gas is purchased on index, but PGW receives a
2 discount from the current index price due to the investment arbitrage.

3 **Q. HOW MANY SUCH ARRANGEMENTS HAS PGW ENTERED INTO?**

4 A. PGW is currently involved in nine (9) prepaid gas arrangements.

5 **Q. WILL THESE ARRANGEMENTS EXIST IN THE 2023-2024 GCR PERIOD?**

6 A. Yes. PGW will receive gas under nine (9) arrangements in FY 2024. Those contracts
7 will reduce the monthly price of gas paid by PGW compared to the price it would
8 otherwise pay. In FY 2022, PGW will save approximately \$4.9 million for gas sales to
9 customers as a result of prepaid gas purchase arrangements. For FY 2023 and FY 2024,
10 PGW forecasts gas sales to customers will save approximately \$5.9 million per year from
11 the nine prepaid deals.

12 **Q. IN YOUR OPINION, ARE THE GAS COSTS INCURRED BY PGW**
13 **REASONABLE?**

14 A. Yes. The gas costs incurred to date during the 2022-2023 period are the result of the least
15 cost gas procurement strategy outlined in my testimony and are therefore reasonable. The
16 gas costs that PGW is projecting for the 2023-2024 period are also the product of a least
17 cost gas procurement strategy, consistent with PGW's obligation to provide safe,
18 adequate and reliable service to its customers, and are therefore also reasonable.

19 **Q. WHAT WAS INCORPORATED INTO PGW'S 2022-2023 GCR PROCEEDING**
20 **SETTLEMENT AGREEMENT WITH REGARD TO PGW'S HEDGING?**

21 A. PGW agreed to the following:

- 22 1. Within thirty (30) days after the entry of a PUC Order
23 approving this Settlement, PGW shall submit to the Parties a
24 Report on PGW's Gas Purchasing Strategy for the 2022-2023
25 Heating Season, which report will discuss PGW's consideration
26 and utilization of hedging. For the 2023-24 Heating Season, PGW
27 shall prepare a Hedging Plan which shall include a review of its
28 timing and layering of purchases as part of a hedging plan that

1 could benefit customers by distributing cost changes over multiple
 2 quarters.

3 (a) PGW shall consider comments or suggestions for modification
 4 or refinement of the Hedging Plan and any Party may raise
 5 concerns or proposals for modification in PGW's GCR
 6 proceeding.

7 **Q. WHAT IS THE STATUS OF PGW'S REPORT ON PGW'S GAS PURCHASING**
 8 **STRATEGY FOR THE 2022-2023 HEATING SEASON?**

9 A. The Company's Report on PGW's Gas Purchasing Strategy for the 2022-2023 Heating
 10 Season, is attached as Exhibit RR-1.

11 **Q. WHEN WILL THE COMPANY PROVIDE PGW'S HEDGING PLAN FOR THE**
 12 **FOR THE 2023-2024 HEATING SEASON?**

13 A. The Company will Provide its Hedging Plan for the 2023-2024 Heating Season to the
 14 Parties by September 1, 2023.

15 **III. CAPACITY RELEASE, OFF-SYSTEM SALES MARGIN AND ASSET**
 16 **MANAGEMENT CREDITS/FEES**

17 **Q. HAS PGW BEEN RETAINING A PORTION OF NET PROCEEDS FROM**
 18 **CAPACITY RELEASE CREDITS, OFF-SYSTEM SALES MARGIN AND ASSET**
 19 **MANAGEMENT CREDIT/FEES?**

20 A. Yes. During the 2008-2009 GCR proceeding (Docket No. R-2008-2021348), the parties
 21 agreed that PGW would be permitted to retain 25% of all off-system sales margins and
 22 capacity release credits with the remaining 75% applied as an offset to purchased gas
 23 costs for the retention period of September 1, 2008 to August 31, 2011. Likewise, the
 24 parties agreed that, for the subsequent GCR period, PGW would retain 25% of all off-
 25 system sales margins, capacity release credits and margins or fees arising from asset
 26 management arrangements² with the remaining 75% applied as an offset to purchased gas

² Asset management margins/credits/fees are received when PGW enters into a contract with a third party to manage all or part of a storage contract or firm pipeline transportation contract.

1 costs. This sharing arrangement was approved by the PUC in all subsequent GCR
 2 proceedings.

3 **Q. DOES PGW HAVE A RETENTION PROPOSAL FOR THE PERIODS**
 4 **BEGINNING ON SEPTEMBER 1, 2023?**

5 A. Yes. PGW proposes to continue the retention of 25% of capacity release credits, off
 6 system sales margin and asset management margin/credit/fees and apply the remaining
 7 75% to the Gas Cost Rate.

8 **Q. DO OTHER PENNSYLVANIA NATURAL GAS DISTRIBUTION COMPANIES**
 9 **(“NGDCS”) HAVE SHARING MECHANISMS FOR CAPACITY OFF SYSTEM**
 10 **SALES CREDITS?**

11 A. Yes. All of the largest NGDCs have sharing mechanisms similar to PGW’s and the
 12 sharing percentage for all of the NGDCs is 25%.

13 **Q. WHAT WAS INCORPORATED INTO PGW’S 2022-2023 GCR PROCEEDING**
 14 **SETTLEMENT AGREEMENT, WITH REGARD TO THE 2022-2023 PERIOD**
 15 **AND GOING FORWARD FOR THE CALCULATION OF OFF SYSTEM**
 16 **SALES?**

17 A. PGW agreed to the following:

18 1. For the 2022-23 period and going forward (and unless
 19 Section b applies):

20 (a) PGW will calculate the cost of gas used for an off-system sale
 21 (“OSS”) as the Weighted Average Cost of Flowing Gas
 22 (WACOFG) on the day on which the OSS is made.

23 (b) Notwithstanding (a), above, if PGW: (1) purchases natural gas
 24 specifically for resale as an OSS; or (2) identifies a specific
 25 purchase of natural gas that PGW then determines (prior to the
 26 sale) should be sold via an OSS for price mitigation purposes,
 27 it will utilize that specific cost of that gas (including any
 28 associated incremental transmission costs) as the cost of gas to
 29 calculate the off system sales margin.

1 **Q. HOW ARE SHARING MECHANISMS BENEFICIAL TO BOTH RATEPAYERS**
2 **AND UTILITIES?**

3 A. The ratepayers and the utility benefit from the policy because it creates an incentive to
4 maximize efforts to fully utilize gas supply assets by making off-system sales and
5 capacity release transactions, thereby reducing the overall cost of gas supply and the
6 resulting gas cost rate. For PGW, the lesser portion retained by the Company is used to
7 offset the overall cost of service that must be recovered in base rates.

8 **Q. DID PGW ENGAGE IN ANY CAPACITY RELEASE OR OFF-SYSTEM SALES**
9 **IN FY 2023?**

10 A. Yes. PGW contracted for an off-system sales and several capacity releases. For each of
11 these arrangements, the margin in excess of the incremental costs was split 75-25%, with
12 75% being credited to the GCR. PGW retained the remaining 25% in base rates and used
13 it to offset other costs of operation.

14 **Q. FOR THE OFF-SYSTEM SALE, DID PGW CALCULATE THE COST OF GAS**
15 **USED FOR AN OFF-SYSTEM SALE AS THE WEIGHTED AVERAGE COST OF**
16 **FLOWING GAS (WACOFG) ON THE DAY ON WHICH THE OSS IS MADE?**

17 A. Yes.

18 **Q. DID ANY OF PGW'S OFF-SYSTEM SALES MADE "SPECIFICALLY FOR**
19 **RESALE" OR MADE FOR "PRICE MITIGATION PURPOSES", AS**
20 **CONTEMPLATED IN THE 2022-2023 SETTLEMENT AGREEMENT, SUCH**
21 **THAT THE SPECIFIC COST OF THAT GAS WAS USED AS THE COST OF**
22 **GAS?**

23 A. No.

24 **Q. DID PGW ENGAGE IN AN ASSET MANAGEMENT ARRANGEMENT IN FY**
25 **2023?**

26 A. Yes. PGW entered into an AMA arrangement with a counterparty for the winter season
27 of FY 2023. The revenue from the AMA arrangement will be split 75-25%, with 75%
28 being credited to the GCR. PGW retained the remaining 25% in base rates and used it to
29 offset other costs of operation.

1 **IV. PGW LNG**

2 **Q. WHAT WAS INCORPORATED INTO PGW'S 2022-2023 GCR PROCEEDING**
3 **SETTLEMENT AGREEMENT, WITH REGARD TO PGW'S REPORTING OF**
4 **LNG SALES?**

5 A. PGW agreed to the following:

6 For the next three years, PGW will provide a report to the Parties
7 thirty (30) days after the end of each Winter Heating Season
8 detailing the amount of LNG sales (if any) made and the amount of
9 profit realized. The report will include the cost of gas and other
10 inputs into the profit calculation.

11 **Q. WHEN IS PGW'S FIRST REPORT ON LNG SALES DUE?**

12 A. PGW will provide its first Report on LNG Sales thirty (30) days after the end of the
13 Winter Heating Season, which is May 1, 2023.

14 **Q. WHAT WAS INCORPORATED INTO PGW'S 2022-2023 GCR PROCEEDING**
15 **SETTLEMENT AGREEMENT, WITH REGARD TO PGW PROVIDING**
16 **AFFIRMATIVE TESTIMONY REGARDING LNG SALES IN THE COMPANY'S**
17 **NEXT BASE RATE CASE?**

18 A. PGW agreed to the following:

19 In its next base rate case, PGW will provide affirmative testimony
20 indicating whether and where it has included a projection of LNG
21 sales and/or profits, their levels and calculation in its revenue
22 requirement calculation.

23 **Q. HAS PGW FULFILLED THIS REQUIREMENT?**

24 A. Yes. PGW witness Joseph F. Golden, Jr. addressed the incorporation of LNG Sales into
25 the Company's base rate case revenues, in PGW's February 27, 2023 Base Rate Case
26 filing in Docket No. R-2023-3037933.

1 **V. PRICE ANALYSIS AND BUYING ADVISORY SERVICE**

2 **Q. WHAT DOES PGW CURRENTLY USE FOR A PRICE ANALYSIS AND**
 3 **BUYING ADVISORY SERVICE OR SERVICES AS PART OF ITS EFFORTS TO**
 4 **OBTAIN GAS AT LEAST COST?**

5 A. PGW continues to utilize a firm called Planalytics to provide such services. In addition,
 6 PGW has been utilizing a concurrent service to insure that PGW provides value to the
 7 ratepayer by striving for a least cost service.

8 **Q. WHAT TYPES OF SERVICES DOES PLANALYTICS PROVIDE TO PGW?**

9 A. Planalytics provides the following services:

- 10 ● Price feed from Nymex and Globex for natural gas, crude oil, heating oil and
- 11 RBOB (reformulated gasoline);
- 12 ● Buying suggestions up to 18 months in the future;
- 13 ● A charting tool for technical analysis;
- 14 ● Short and medium range weather forecasts;
- 15 ● Weather alerts (issued in advance of significant weather events); and
- 16 ● Planalytics' pre-season hurricane forecast and in-season updates;

17 **Q. WHAT WAS INCORPORATED INTO PGW'S 2022-2023 GCR PROCEEDING**
 18 **SETTLEMENT AGREEMENT WITH REGARD TO PRICE ANALYSIS AND**
 19 **ENERGY BUYING ADVISORY SERVICE?**

20 A. PGW agreed to the following:

21 PGW shall continue to be authorized to recover in the GCR the
 22 annual fee for subscribing to Planalytics Gas Buying Analysis
 23 Service except that PGW shall be authorized to substitute a
 24 comparable service, as the same or lower cost, for Planalytics if, in
 25 its discretion, another service better meets its need for natural gas
 26 purchasing analysis and advice. PGW will report on any such
 27 change in its next GCR Proceeding.

1 **Q. WHAT IS THE CURRENT STATUS OF PGW'S USE OF PRICE ANALYSIS**
2 **AND ENERGY BUYING ADVISORY SERVICES?**

3 A. PGW has been monitoring and comparing the offerings of Planalytics versus PGW's
4 other market information sources. Since the July 2022, PGW has used the
5 Intercontinental Exchange ("ICE") price information service to supplement its pricing
6 analysis.

7 Presently, PGW does not have sufficient operating experience with ICE to make a
8 determination if ICE is a suitable substitute for Planalytics. Compared with Planalytics'
9 Nymex pricing quotes, ICE offers real time pricing at the natural gas price hubs from
10 which PGW purchases gas.

11 **Q. WHAT IS THE PRICE COMPARISON OF PLANALYTICS AND ICE?**

12 A. Planalytics costs \$125,000 per year, while ICE costs approximately \$25,000 per year.

13 **Q. WHAT COSTS ARE PGW SEEKING TO RECOVER IN THIS GCR?**

14 A. PGW is only seeking the continued recovery of Planalytics in this GCR. The Company is
15 absorbing the costs of ICE during this testing period.

16 **Q. DOES PGW WISH TO CONTINUE THE PLANALYTICS BUYING ADVISORY**
17 **SERVICES?**

18 A. Yes. PGW will continue to monitor and compare the pricing features of Planalytics
19 versus ICE over the next several months and make a decision whether to continue with
20 both services or move toward ICE only in the Company's next GCR.

21 **VI. GAS SUPPLY PURCHASES**

22 **Q. WHERE DID PGW PURCHASE NATURAL GAS SUPPLY ON THE TEXAS**
23 **EASTERN TRANSMISSION CORPORATION ("TETCO") PIPELINE IN FY**
24 **2023?**

25 A. 100% of all baseload and swing supply purchases on the TETCO pipeline were from
26 Market Zone M-2 in FY 2023.

VII. CONCLUSION

2 Q. **DOES THIS CONCLUDE YOUR TESTIMONY?**

3 A. Yes, it does.

Philadelphia Gas Works
Natural Gas Purchasing Strategy
For 2022-2023 Heating Season

I. Introduction

As reasonably anticipated PGW intends on meeting its contractual obligations to supply all its current firm customers in its service territory on the coldest day, throughout the heating season and throughout the year. Projected customer requirements for design day and design winter conditions form the basis for capacity commitments for pipeline supply, storage, and transportation contracting.

Natural gas supplies are purchased under a portfolio approach with PGW intending to secure the lowest overall price consistent with the corporate goals of reliability and security of supply. In addition, consideration is given to maintaining a diversity of sources and types of supply, coupled with contractual and operational flexibility on both a daily and seasonal basis. Short term purchases from spot market sources are utilized to the maximum degree that they are more economical, available, and transportable.

Natural gas supplies are utilized to minimize gas costs subject to reliability constraints. Supply contract obligations are honored, and prudent gas control operational requirements are assumed. Storage gas is drawn down to always maintain an inventory level sufficient for the remaining winter in the event that design temperature conditions should occur in the remaining segment of the winter season. Within the above parameters, priority is given to utilizing the most economical sources of supply first within the context of preserving the capability of meeting seasonal and annual demands rather than the momentary daily requirements. All facilities and sources of supply – flowing, storage and LNG – are available to achieve the intended end, namely, minimizing gas costs subject to reliability constraints.

II. PGW Optimization Standard for Purchasing and Utilizing Gas Supplies

Incorporated into PGW's projections are an implementation plan for developing a cohesive gas supply/demand strategy for the near term and the longer range. To achieve this while maintaining a balance between economics and security of supply, the Company uses a portfolio strategy approach. This approach incorporates a menu driven selection of services which allows the Company to choose only those specific services necessary to meet its requirements. This is achieved by taking into consideration transportation capacity rights and then sources of supply are contracted to cover the firm transport rights over differing seasonal obligations.

Operating flexibility is sustained by variations in contract stipulations to permit the system to swing on the most economical gas supplies available while maintaining the ability to supply rapidly fluctuating temperature requirements. Storage facilities are substituted wherever there is an opportunity to reduce annual expense for flowing 365-day pipeline service without reducing design day and design winter season delivery capability. Direct control of all storage is paramount to permit PGW to minimize winter costs by injecting lower priced purchases and to cycle storage to balance daily take fluctuations to avoid overrun/balancing charges.

PGW's supply strategy incorporates maintaining full current winter day deliverability regarding transportation capacity but to convert, where possible, to storage rather than winter flowing contracts to enhance financial and operational flexibility. A variety of longer-term supply contracts are necessary to support pipeline transportation capacity because reliance upon best effort spot suppliers to fill wintertime supply requirements to meet firm customers' demands has proven to be an unreliable alternative. As a result, longer-term contracts are utilized to support firm transportation capacity. In this way, PGW not only helps ensure the security of supply by sourcing the gas from geographically diverse supply regions, but this diversity also allows PGW to take advantage of the pricing basis differential inherent in these supply locations.

III. PGW's Current Gas Purchasing Strategy for 2022-2023 Heating Season

PGW's strategy for gas purchasing for the 2022-2023 Heating Season conforms to the requirements of PGW's Optimization Standard for Purchasing and Utilizing Gas Supplies.

PGW's current strategy for meeting the system's supply requirements is a portfolio approach. The Company's supply portfolio is split into four categories. First, the Company enters baseload supply contracts, which account for approximately thirty-seven percent (37%) of PGW's daily firm transportation entitlements on both Enbridge's Texas Eastern and Williams' Transco Gas Pipelines. As part of PGW's baseload supply, PGW has secured long term contracts for approximately 41% of its total baseload gas supply under discounted prepaid agreements with the municipal authorities Public Energy Authority of Kentucky (PEAK) and Municipal Gas Authority of Georgia (MGAG) in FY 2022. Over the past four years, PGW ratepayers have saved approximately \$11 Million and are estimated to save approximately another \$5.9 Million dollars over the 2022-2023 fiscal year.

The Enbridge and Williams' pipelines are the only interstate pipeline facilities with physical connections to the PGW service territory. These supply contracts also recognize pipeline receipt and delivery rights. These contracts contain the ability to set the price for upcoming months, or to have the pricing default to an agreed upon market index.

Second, an additional twenty-seven percent (27 %) is priced at the "gas daily mid-point" for each day of usage. These contracts allow for daily changes in volume. The operational flexibility of these contracts allows the company to increase or decrease gas supply to meet variations in send out requirements.

Third, the company utilizes one (1) pipeline storage services, as an additional source of supply. This storage service does not contain bundled transportation and therefore are moved to the city gates within PGW's firm interstate pipeline capacity. This service represents eight percent (8 %) of supply at a fixed price. Additionally, PGW utilizes bundled storage to allow as another source of supply and transport during the higher demand times of the year.

Fourth, PGW has on-site LNG to meet operational requirements when sendout requirements demand it.

Both the bundled storage and on-site LNG allow PGW to meet its design day requirements and to accomplish other cost saving initiatives. Specifically, once design winter sendout requirements are met, the company may utilize bundled storage and LNG inventories to displace higher priced supply based on the current market conditions. PGW uses a portfolio approach to address system supply and storage refill in the traditional non-peak season. The Gas Supply Department uses the GCR filing as a template to purchase gas volumes for both system supply and storage refill below the projected cost, when possible. However, some proportion of the supply will always be subject to spot market pricing, either daily or monthly due to the constant need to purchase gas to meet sendout variations that are inherent in a residential firm heating load.

PGW follows the directives of the Gas Supply Committee, which meets frequently and includes a review of PGW's gas purchase plans. The principal strategy for mitigating price volatility is to continuously monitor the market, fixing month(s) ahead pricing when an opportunity arises, within the parameters of the market advice we follow. PGW considers the recommendations of Planalytics, ICAP, and supplemented with instantaneous price monitoring data using the ICE platform.

PGW takes steps to both reduce the cost and mitigate the risk of volatility in gas prices when hedging or price locking is possible at a reasonable cost.

This year, PGW has used the tools at its disposal and worked with its gas suppliers to fix prices to reduce volatility to the ratepayer. As stated in "The Purchasing Guidelines FY 23", PGW lock-in pricing for PGW's daily baseload, this gas was locked-in anywhere from the prior month to several month before. When PGW can lock-in a single month or a strip of months at the same time. Any baseload volumes that are locked-in, the pricing will default to the closing index price. For FY 23, the locked-in volumes were as follows: September 85% of the baseload, October 95% of the baseload, November 7% of the baseload, December 0% of the base load, January

20% of the baseload, February 3% of the baseload, and March 7% of the baseload. For the rest of FY 2023, PGW currently has about 12% of the baseload locked-in and is constantly evaluating if more volumes should be locked-in. PGW has also worked with PEAK and MGAG, in accordance to their long-term deals to fix pricing for future season to help mitigate the volatility to the ratepayer.

IV. Discussion of Hedging Strategy and Utilization for 2023-2024 Heating Season

Moving forward, PGW has refined its plan in a few ways. PGW has stayed an active participant in the long-term deals and is watching market conditions to find deals that will maximize the saving to our ratepayers. Secondly, in issuing the RFP for baseload supply, PGW requested a monthly supply sculpted in a way to reflect the monthly usage differentials from each month rather than seasonal approach. Another refinement PGW made to its monitoring activity was to add the ICE platform as a complement to Planalytics. ICE allows PGW to monitor pricing data at specific points where we purchase gas on an instantaneous basis; this has allowed PGW greater insight into the market to make sure PGW is buying gas at its lowest price.

PGW continues to keep a watchful eye on futures prices and has taken advantage of the ability to enter into fixed price agreements with Municipal Authority agents so that, when opportunities arise, PGW can retain the significant prepaid discounts along with dips in NYMEX futures. For all other winter contracts, in the RFP, PGW requires that any supply contracts in which PGW enters must have an option to fix the contract price. PGW has begun to lock-in prices for volumes of future contract for the winter of 2023-2024.

In recent years, PGW has observed the changes to the market volatility and market norms which have had impacts on the rate payers. As the market changes and provides new challenges, PGW understands that it needs to be vigilant in its strategy while not being too hasty as well. PGW needs to be flexible, especially in this market, to move with the market trends as PGW seems fit.

With all of these changes, PGW feels the combination of its physical hedging abilities with storage facilities and its current tools to lock in future pricing on its baseload gas deals is the best approach.

Please see attached Exhibit for month by month details of PGW's hedging activity.

Purchasing Plan Guideline												
	September	October	November	December	January	February	March	April	May	June	July	August
Daily Volume												
Baseload	68,236	68,236	116,073	119,073	119,873	117,073	113,455	68,236	68,236	68,236	68,236	68,236
Swing												
Tetco												
Index pricing (max 35,000 Dth/day)	11,500	37,500	15,000	35,000	35,000	35,000	35,000	35,000	35,000	29,000	27,000	27,000
Transco												
Index pricing (max 45,000 Dth/day)	6,600	26,500	15,000	45,000	45,000	45,000	45,000	37,000	39,000	22,000	19,000	15,000
Total Swing	18,100	64,000	30,000	80,000	80,000	80,000	80,000	72,000	74,000	51,000	46,000	42,000
Daily Total Swing & Baseload	86,336	132,236	146,073	199,073	199,873	197,073	193,455	140,236	142,236	119,236	114,236	110,236
Target Locked in Volume/Hedge Percentage of Daily Baseload Volume	85%	95%	7%	0%	20%	3%	7%	12% to 50%	12% to 50%	12% to 50%	12% to 50%	12% to 50%

VERIFICATION

I, Ryan E. Reeves, hereby state that: (1) I am the Director of Gas Supply, Transportation, and Control for Philadelphia Gas Works (“PGW”); (2) the facts set forth in my testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 3/1/2023



Ryan E. Reeves
Director of Gas Supply, Transportation, and
Control
Philadelphia Gas Works